DOMINION OF CANADA

OFFICIAL REPORT

OF

DEBATES

HOUSE OF COMMONS

THIRD SESSION—FOURTEENTH PARLIAMENT

14-15 GEORGE V, 1924

IN SIX VOLUMES

Volume I: Pages 1-1020	**Volume II: Pages 1021-2012**
Volume III: Pages 2013-3040	**Volume IV: Pages 3041-4035**
Volume V: Pages 4037-4877	**Volume VI: Index**

VOLUME CLX

COMPRISING THE PERIOD FROM THE TWENTY-EIGHTH DAY OF FEBRUARY TO THE THIRD DAY OF APRIL, 1924, INCLUSIVE

OTTAWA
F. A. ACLAND
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1924

MEMBERS OF THE GOVERNMENT

OF THE

RIGHT HON. WILLIAM LYON MACKENZIE KING,

C.M.G., M.A., LL.B., LL.D.

THIRD SESSION OF THE FOURTEENTH PARLIAMENT

1924

THE MINISTRY

Prime Minister, Secretary of State for External Affairs, President of the Privy Council	Right Hon. WILLIAM LYON MACKENZIE KING, C.M.G., M.A., LL.B., LL.D.
Minister of Finance and Receiver General	Right Hon. WILLIAM STEVENS FIELDING, LL.D., D.C.L.
Minister of Railways and Canals	Hon. GEORGE PERRY GRAHAM.
Postmaster General	Hon. CHARLES MURPHY, B.A., K.C.
Minister without Portfolio	Hon. RAOUL DANDURAND, K.C., LL.D.
Minister of Soldiers' Civil Re-establishment and the Minister in charge of and to administer the Department of Health	Hon. HENRI SÉVÉRIN BÉLAND, B.A., M.D.
Minister of Customs and Excise	Hon. JACQUES BUREAU, K.C., LL.D.
Minister of Justice and Attorney General	[1] Hon. Sir LOMER GOUIN, K.C.M.G. [2] Hon. ERNEST LAPOINTE, B.A., K.C., LL.B.
Minister of Immigration and Colonization	Hon. JAMES ALEXANDER ROBB.
Minister of Trade and Commerce	Hon. THOMAS ANDREW LOW.
Secretary of State	Hon. ARTHUR BLISS COPP, LL.B.
Minister of the Interior; Minister of Mines and Superintendent General of Indian Affairs	Hon. CHARLES STEWART.
Minister of Agriculture	Hon. WILLIAM RICHARD MOTHERWELL.
Minister of Labour	Hon. JAMES MURDOCK.
Minister without Portfolio	Hon. JOHN EWEN SINCLAIR.
Minister of Public Works	Hon. JAMES HORACE KING, M.D., C.M., F.A.C.S.
Minister of National Defence	Hon. EDWARD MORTIMER MACDONALD, K.C., LL.B.
Solicitor General	Hon. EDWARD JAMES MCMURRAY, B.A., LL.B.
Minister of Marine and Fisheries	[3] Hon. ERNEST LAPOINTE, B.A., K.C., LL.B. [4] Hon. PIERRE JOSEPH ARTHUR CARDIN.
Minister without Portfolio	Hon. HAROLD BUCHANAN MCGIVERIN, K.C.

---

1 Resigned, Dec. 31, 1923.
2 Accepted portfolio of Justice, Jan. 30, 1924.
3 Resigned to accept portfolio of Justice, Jan. 30, 1924.
4 Accepted portfolio of Marine and Fisheries, Jan. 30, 1924.

HOUSE OF COMMONS

Speaker..... Hon. RODOLPHE LEMIEUX, K.C., B.C.L., LL.D.

Deputy Speaker and Chairman of Committees. GEORGE NEWCOMBE GORDON, K.C.

Clerk of the House..... W. B. NORTHRUP, M.A.. K.C.

Clerk Assistant..... ARTHUR BEAUCHESNE, B.A., K.C.

Sergeant-at-Arms..... Lieutenant-Colonel H. W. BOWIE.

Deputy Sergeant-at-Arms..... EDOUARD TASCHEREAU.

Editor of Debates..... A. C. CAMPBELL.

Associate Editor of Debates..... GEORGE SIMPSON.

Associate Editor of Debates (French)..... MARCEL GABARD.

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English: Earl C. Young, F. W. S. Galbraith, H. E. Oliver, W. H. Dickson, Frederick Berryman, T. S. Hubbard, M. F. Johnston.

French: J. H. Mackay.

SELECT COMMITTEE ON OFFICIAL REPORT OF DEBATES:

Messieurs: Boivin, Ethier, Fansher, Gardiner, Garland (Bow River), Hocken, [1]MacKelvie, McGiverin, Marcil (Bonaventure), Prévost, Rinfret, Robinson and Ross (Kingston)

Chairman: G. H. Boivin, B.A., K.C.

[1] Died June 4, 1924.

ALPHABETICAL LIST

OF THE

MEMBERS OF THE HOUSE OF COMMONS

Third Session—Fourtecnth Parliament

1924

ANDERSON, ROBERT KING.—Halton.

ARCHAMBAULT, JOSEPH—Chambly and Verchères.

ARTHURS, JAMES—Parry Sound.

BALDWIN, WILLIS KEITH—Stanstead.

BANCROFT, LELAND PAYSON—Selkirk.

BAXTER, HON. JOHN B. M.—St. John City and Counties of St. John and Albert.

BEAUBIEN, ARTHUR LUCIEN—Provencher.

BÉLAND, HON. HENRI SÉVÉRIN—Beauce.

BENOIT, ALDÉRIC JOSEPH—St. Johns and Iberville.

BINETTE, JOSEPH—Prescott.

BIRD, THOMAS WILLIAM—Nelson.

BLACK, GEORGE—Yukon.

BLACK, WILLIAM—Huron, S. Riding.

BLACK, WILLIAM ANDERSON—Halifax.

BOIVIN, GEORGE HENRY—Shefford.

BOUCHARD, GEORGES—Kamouraska.

BOUCHER, AIMÉ—Yamaska.

BOURASSA, JOSEPH BOUTIN—Lévis.

BOWEN, FRED W.—Durham.

BOYS, WILLIAM ALVES—Simcoe, S. Riding.

BRETHEN, GEORGE ARTHUR—Peterborough, E. Riding.

BRISTOL, HON. EDMUND—Toronto, Centre.

BROWN, JOHN LIVINGSTONE—Lisgar.

BUREAU, HON. JACQUES—Three Rivers and St. Maurice.

CAHILL FRANK S.—Pontiac.

CALDWELL, THOMAS W.—Victoria and Carleton (N.B.)

CAMPBELL, MILTON N.—Mackenzie.

CANNON, LUCIEN—Dorchester.

CARDIN, HON. PIERRE JOSEPH ARTHUR—Richelieu.

CARMICHAEL, ARCHIBALD M.—Kindersley.

CARROLL, WILLIAM F.—Cape Breton South and Richmond.

CARRUTHERS, JOHN—Algoma, E. Riding.

CASGRAIN, PIERRE FRANÇOIS—Charlevoix-Montmorency.

CHAPLIN, JAMES DEW—Lincoln.

CHARTERS, SAMUEL—Peel.

CHEVRIER, EDGAR RODOLPHE EUGÈNE—Ottawa.

CHEW, MANLEY—Simcoe, E. Riding.

CHISHOLM, ALEXANDER W.—Inverness.

CHURCH, THOMAS LANGTON—Toronto, North.

CLARK, JOHN ARTHUR—Burrard.

CLIFFORD, LAWSON OMAR—Ontario, S. Riding.

COOTE, GEORGE GIBSON—Macleod.

COPP, HON. ARTHUR BLISS—Westmoreland.

CRERAR, HON. THOMAS ALEXANDER—Marquette.

[1]d'ANJOU, JOSEPH EMILE STANISLAS EMMANUEL—Rimouski.

DAVIES, CLAUDIUS CHARLES—North Battleford.

DÉCHÈNE, AIMÉ MIVILLE—Montmagny.

DELISLE, MICHEL SIMÉON—Portneuf.

DENIS, J. ARTHUR—St. Denis.

DENIS, JEAN JOSEPH—Joliette.

DESAULNIERS, ARTHUR L.—Champlain.

DESCOTEAUX, JOSEPH F.—Nicolet.

DESLAURIERS, HERMAS—St. Mary.

DESROCHERS, EUGÈNE—Maskinongé.

DICKIE, CHARLES HERBERT—Nanaimo.

DOUCET, ALEXANDRE JOSEPH—Kent, N.B.

DRAYTON, HON. SIR HENRY L., Kt.—York, W. Riding.

DRUMMOND, JOHN DOUGLAS FRASER—Middlesex, W. Riding.

DUFF, WILLIAM—Lunenberg.

DUNCAN, MATTHEW ROBERT—Grey, N. Riding.

ELLIOTT, PRESTON—Dundas.

ELLIOTT, WILLIAM—Waterloo, S. Riding.

ETHIER, JOSEPH ARTHUR CALIXTE—Laval-Two Mountains.

EULER, WILLIAM D.—Waterloo, N. Riding.

EVANS, JOHN—Saskatoon.

[1] Resigned July 19, 1924; Sir Eugène Fiset elected Sept. 2, 1924.

FAFARD, J. FERNAND—L'Islet.
FANSHER, BURT WENDELL—Lambton, E. Riding.
FIELDING, RT. HON. WILLIAM STEVENS—Shelburne and Queens.
FINDLAY, JOHN WALTER—Bruce, S. Riding.
FINN, ROBERT E.—Halifax.
FONTAINE, JOSEPH ELOI—Hull.
FORKÉ, ROBERT—Brandon.
FORRESTER, WILLIAM—Perth, S. Riding.
FORTIER, HYACINTHE ADÉLARD—Labelle.
FOURNIER, CHARLES ALPHONSE—Bellechasse.

GARDINER, ROBERT—Medicine Hat.
GARLAND, EDWARD J.—Bow River.
GARLAND, WILLIAM FOSTER—Carleton.
[1]GAUVREAU, CHARLES ARTHUR—Témiscouata.
GENDRON, ROMUALD M.—Wright.
GERMAN, WILLIAM MANLEY—Welland.
GERVAIS, THÉODORE—Berthier.
GOOD, WILLIAM CHARLES—Brant.
GORDON, GEORGE NEWCOMBE—Peterborough, W. Riding.
GOUIN, HON. SIR LOMER, K.C.M.G.—Laurier-Outremont.
GOULD, OLIVER ROBERT—Assiniboia.
GRAHAM, HON. GEORGE PERRY—Essex, S. Riding.
GRIMMER, ROBERT WATSON—Charlotte.
GUTHRIE, HON. HUGH—Wellington, S. Riding.

HALBERT, ROBERT HENRY—Ontario, N. Riding.
HAMMELL, WILLIAM JAMES—Muskoka.
HANSON, RICHARD B.—York-Sunbury.
HARRIS, JOSEPH HENRY—York, E. Riding.
HATFIELD, PAUL LA COMBE—Yarmouth and Clare.
HEALY, ALBERT FREDERICK—Essex, N. Riding.
HOCKEN, HORATIO CLARENCE—Toronto, West.
HODGINS, ARCHIE LATIMER—Middlesex, E. Riding.
HOEY, ROBERT ALEXANDER—Springfield.
HOPKINS, EDWARD N.—Moose Jaw.
HUBBS, JOHN—Prince Edward, (O.)
HUDSON, ALBERT BLELLACK—Winnipeg, South.
HUGHES, JAMES J.—King's, P.E.I.
HUMPHREY, LEVI WILLIAM—Kootenay, West.
HUNT, AYLMER BYRON—Compton.

IRVINE, WILLIAM—Calgary, East.

JACOBS, SAMUEL WILLIAM—George Etienne Cartier.
JELLIFF, LINCOLN HENRY—Lethbridge.
JOHNSTON, J. FRED—Last Mountain.
JONES, GEORGE BURPEE—Royal.

KAY, WILLIAM FREDERIC—Missisquoi.
KELLNER, DONALD F.—Edmonton, East.
KELLY, FENWICK LIONEL—Cape Breton North and Victoria.
KENNEDY, DONALD M.—Edmonton, West.
KENNEDY, DOUGALD—Port Arthur and Kenora
KENNEDY, JOHN WILFRED—Glengarry and Stormont.
KING, HON. JAMES H.—Kootenay, E. Riding
KING, JOHN WARWICK—Huron, N. Riding.
KING, RT. HON. W. L. MACKENZIE—York N. Riding.
KNOX, ANDREW—Prince Albert.
KYTE, GEORGE W.—Cape Breton South and Richmond.

LADNER, LEON JOHNSON—Vancouver, South.
LAFLAMME, J. NAPOLÉON K.—Drummond-Arthabaska.
LANCTÔT, ROCH—Laprairie and Napierville.
LAPIERRE, EDMOND ANTHONY—Nipissing.
LAPOINTE, HON. ERNEST—Quebec, East.
LAVIGUEUR, HENRI E.—Quebec County.
LEADER, HARRY—Portage la Prairie.
LEMIEUX, HON. RODOLPHE—Gaspé.
LESUEUR, RICHARD VRYLING—Lambton, W. Riding.
LEWIS, ARTHUR JOHN—Swift Current.
LOGAN, HANCE JAMES—Cumberland.
LOVETT, LEWIS JOHNSTONE—Digby-Annapolis.
LOVIE, WILLIAM JAMES—Macdonald.
LOW, HON. THOMAS ANDREW—Renfrew, S. Riding.
LUCAS, WILLIAM THOMAS—Victoria (Alta.)

MACDONALD, HON. EDWARD MORTIMER—Pictou.
[2]MACKELVIE, JOHN A.—Yale.
MACKINNON, DONALD ALEXANDER—Queens, P.E.I.
MACLAREN, MURRAY—St. John City and Counties of St. John and Albert.
MACLEAN, ALFRED EDGAR—Prince, P.E.I.
MACLEAN, WILLIAM FINDLAY—York, S. Riding.

[1] Died Oct. 9, 1924.
[2] Died June 4, 1924.

MACPHAIL, AGNES C.—Grey, Southeast Riding.
McBRIDE, THOMAS GEORGE—Cariboo.
McCONICA, THOMAS HENRY—Battleford.
McCREA, FRANCIS N.—Sherbrooke.
McDONALD, ANGUS—Timiskaming.
McGIVERIN, HAROLD BUCHANAN—Ottawa.
McISAAC, COLIN FRANCIS—Antigonish-Guysborough.
McKAY, MATTHEW—Renfrew, N. Riding.
McKILLOP, HUGH C.—Elgin, W. Riding.
McMASTER, ANDREW ROSS—Brome.
McMURRAY, HON. EDWARD JAMES—Winnipeg, North.
McQUARRIE, WILLIAM GARLAND—New Westminster.
McTAGGART, NEIL HAMAN—Maple Creek.
MALCOLM, JAMES—Bruce, N. Riding.
MANION, HON. ROBERT JAMES—Fort William and Rainy River.
MARCIL, HON. CHARLES—Bonaventure.
MARCILE, JOSEPH EDMOND—Bagot.
MARLER, HERBERT—St. Lawrence-St. George.
MARTELL, LEWIS HERBERT—Hants.
MAYBEE, MILTON EDGAR—Northumberland (Ont.)
MEIGHEN, RT. HON. ARTHUR—Grenville.
MERCIER, PAUL—Westmount-St. Henri.
MEWBURN, HON. SYDNEY CHILTON—Hamilton, E. Riding.
MICHAUD, PIUS—Restigouche and Madawaska.
MILLAR, JOHN—Qu'Appelle.
MILNE, ROBERT—Neepawa.
[1]MITCHELL, WALTER G.—St. Antoine.
MORIN, L. S. RENÉ—St. Hyacinthe-Rouville.
MORRISON, JOHN—Weyburn.
[2]MORRISSY, JOHN—Northumberland (N.B)
MOTHERWELL, HON. WILLIAM R.—Regina.
MUNRO, ELGIN ALBERT—Fraser Valley.
MURDOCK, HON. JAMES—Kent, (O.)
MURPHY, HON. CHARLES—Russell.

NEILL, ALAN WEBSTER—Comox-Alberni.

OUIMET, JOSEPH RODOLPHE—Vaudreuil-Soulanges.

PAPINEAU, LOUIS JOSEPH—Beauharnois.
PARENT, GEORGES—Quebec, West.
PELLETIER, FRANÇOIS JEAN—Matane.
[3]PORTER, EDWARD GUSS—HASTINGS, W. Riding.
POWER, CHARLES GAVAN—Quebec, South.
PRESTON, RICHARD FRANKLIN—Lanark.
PRÉVOST, JULES EDOUARD—Terrebonne.
PRITCHARD, JOHN—Wellington, N. Riding.
PUTNAM, HAROLD—Colchester.

RANKIN, JAMES PALMER—Perth, N. Riding.
RAYMOND, WILLIAM G.—Brantford.
REED, WILLIAM SAMUEL—Frontenac.
RHÉAUME, JOSEPH T.—Jacques Cartier.
RINFRET, FERNAND—St. James.
ROBB, HON. JAMES ALEXANDER—Châteauguay-Huntingdon.
ROBERGE, EUSÈBE—Mégantic.
ROBICHAUD, JOHN G.—Gloucester.
ROBINSON, ERNEST WILLIAM—Kings (N.S.)
ROBITAILLE, CLÉMENT—Maisonneuve.
ROSS, ARTHUR EDWARD—Kingston.
ROSS, THOMAS EDWIN—Simcoe, N. Riding.
RYCKMAN, EDMOND BAIRD—Toronto, East.

ST. PÈRE, EDOUARD CHARLES—Hochelaga.
SALES, THOMAS—Saltcoats.
SAVARD, EDMOND—Chicoutimi-Saguenay.
SÉGUIN, PAUL ARTHUR—L'Assomption-Montcalm.
SENN, MARK CECIL—Haldimand.
SEXSMITH, EDWARD JAMES—Lennox and Addington.
SHAW, JOSEPH TWEED.—Calgary, West.
SHEARD, CHARLES—Toronto, South.
SIMPSON, THOMAS EDWARD—Algoma, W. Riding.
SINCLAIR, DUNCAN JAMES—Oxford, N. Riding.
SINCLAIR, HON. JOHN EWEN—Queen's (P.E I.)
SPEAKMAN, ALFRED—Red Deer.
SPENCE, DAVID—Parkdale.
SPENCER, HENRY ELVINS—Battle River.
STANSELL, JOHN LAWRENCE—Elgin, E. Riding.
STEEDSMAN, JAMES—Souris.
STEVENS, HON. HENRY HERBERT—Vancouver, Centre.
STEWART, HON. CHARLES A.—Argenteuil.
STEWART, C. WALLACE—Humboldt.
STEWART, HUGH ALEXANDER—Leeds.
STEWART, THOMAS JOSEPH—Hamilton, W. Riding.
STORK, ALFRED—Skeena.
SUTHERLAND, DONALD—Oxford, S. Riding.

[1] Resigned May 14, 1924; William James Hushion elected Sept. 2, 1924.
[2] Died July 31, 1924; William Bunting Snowball elected Oct. 7, 1924.
[3] Resigned June 27, 1924.

THOMPSON, THOMAS HENRY—Hastings, E. Riding.
THURSTON, JOHN J.—Victoria (O.)
TOBIN, EDMUND WILLIAM—Richmond and Wolfe.
TOLMIE, HON. SIMON FRASER—Victoria City (B.C.)
VIEN, THOMAS—Lotbinière.
WALLACE, JOHN ALEXANDER—Norfolk.
WALSH, JOSEPH C.—St. Ann.
WARD, WILLIAM JOHN—Dauphin.
WARNER, DANIEL WEBSTER—Strathcona.
WHITE, JOHN FRANKLIN—London.
WILSON, GORDON CROOKS—Wentworth.
WOODS, ROBERT JOHN—Dufferin.
WOODSWORTH, JAMES S.—Winnipeg, Centre.

ALPHABETICAL LIST

OF THE

CONSTITUENCIES OF THE HOUSE OF COMMONS

Third Session—Fourteenth Parliament

1924

ALGOMA, E. RIDING—Carruthers, John.
ALGOMA, W. RIDING—Simpson, Thomas Edward.
ANTIGONISH AND GUYSBOROUGH—McIsaac, Colin Francis.
ARGENTEUIL—Stewart, Hon. Charles A.
ASSINIBOIA—Gould, Oliver Robert.

BAGOT—Marcile, Joseph Edmond.
BATTLEFORD—McConica, Thomas Henry.
BATTLE RIVER—Spencer, Henry Elvins.
BEAUCE—Béland, Hon. Henri Sévérin.
BEAUHARNOIS—Papineau, Louis Joseph.
BELLECHASSE—Fournier, Charles Alphonse.
BERTHIER—Gervais, Théodore.
BONAVENTURE—Marcil, Hon. Charles.
BOW RIVER—Garland, Edward J.
BRANDON—Forke, Robert.
BRANT—Good, William Charles.
BRANTFORD—Raymond, William G.
BROME—McMaster, Andrew Ross.
BRUCE, N. RIDING—Malcolm, James.
BRUCE, S. RIDING—Findlay, John Walter.
BURRARD—Clark, John Arthur.

CALGARY, EAST—Irvine, William.
CALGARY, WEST—Shaw, Joseph Tweed.
CAPE BRETON NORTH AND VICTORIA—Kelly, Fenwick Lionel.
CAPE BRETON SOUTH AND RICHMOND—Carroll, William F.
Kyte, George W.
CARIBOO—McBride, Thomas George.
CARLETON (O)—Garland, William Foster.
CHAMBLY AND VERCHÈRES—Archambault, Joseph.
CHAMPLAIN—Desaulniers, Arthur J.
CHARLEVOIX-MONTMORENCY—Casgrain, Pierre François.
CHARLOTTE—Grimmer, Robert Watson.
CHÂTEAUGUAY - HUNTINGDON—Robb, Hon. James Alexander.
CHICOUTIMI-SAGUENAY—Savard, Edmond.
COLCHESTER—Putnam, Harold.
COMOX-ALBERNI—Neill, Alan Webster.
COMPTON—Hunt, Aylmer Byron.
CUMBERLAND—Logan, Hance James.

DAUPHIN—Ward, William John.
DIGBY AND ANNAPOLIS—Lovett, Lewis Johnstone.
DORCHESTER—Cannon, Lucien.
DRUMMOND AND ARTHABASKA—Laflamme, J. Napoléon K.
DUFFERIN—Woods, Robert John.
DUNDAS—Elliott, Preston.
DURHAM—Bowen, Fred W.

EDMONTON, EAST—Kellner, Donald F.
EDMONTON, WEST—Kennedy, Donald M.
ELGIN, E. RIDING—Stansell, John Lawrence.
ELGIN, W. RIDING—McKillop, Hugh C.
ESSEX, N. RIDING—Healy, Albert Frederick.
ESSEX, S. RIDING—Graham, Hon. George Perry.

FORT WILLIAM AND RAINY RIVER—Manion, Hon. Robert James.
FRASER VALLEY—Munro, Elgin Albert.
FRONTENAC—Reed, William Samuel.

GASPÉ—Lemieux, Hon. Rodolphe.
GEORGE ETIENNE CARTIER—Jacobs, Samuel William.
GLENGARRY AND STORMONT—Kennedy, John Wilfred.
GLOUCESTER—Robichaud, John G.
GRENVILLE—Meighen, Rt. Hon. Arthur.
GREY, N. RIDING—Duncan, Matthew Robert.
GREY, SOUTHEAST RIDING—Macphail, Agnes C.

HALDIMAND—Senn, Mark Cecil.
HALIFAX—Finn, Robert E.
Black, William Anderson.
HALTON—Anderson, Robert King.
HAMILTON, E. RIDING—Mewburn, Hon. Sydney Chilton.
HAMILTON, W. RIDING—Stewart, Thomas Joseph.
HANTS—Martell, Lewis Herbert.
HASTINGS, E. RIDING—Thompson, Thomas Henry.
HASTINGS, W. RIDING—[1]Porter, Edward Guss.
HOCHELAGA—St. Père, Edouard Charles.
HULL—Fontaine, Joseph Eloi.
HUMBOLDT—Stewart, C. Wallace.
HURON, N. RIDING—King, John Warwick.
HURON, S. RIDING—Black, William.

INVERNESS—Chisholm, Alexander W.

JACQUES CARTIER—Rhéaume, Joseph T.
JOLIETTE—Denis, Jean Joseph.

KAMOURASKA—Bouchard, Georges
KENT (N.B.)—Doucet, Alexandre Joseph.
KENT (O.)—Murdock, Hon. James.
KINDERSLEY—Carmichael, Archibald M.
KING'S (N.S.)—Robinson, Ernest William.
KING'S (P.E.I.)—Hughes, James J.
KINGSTON—Ross, Arthur Edward.
KOOTENAY, EAST—King, Hon. James H.
KOOTENAY, WEST—Humphrey, Levi William.

LABELLE—Fortier, Hyacinthe Adélard.
LAMBTON, E. RIDING—Fansher, Burt Wendell.
LAMBTON, W. RIDING—LeSueur, Richard Vryling.
LANARK—Preston, Richard Franklin.
LAPRAIRIE AND NAPIERVILLE—Lanctôt, Roch.
L'ASSOMPTION-MONTCALM—Séguin, P. Arthur.
LAST MOUNTAIN—Johnston, J. Fred.
LAURIER-OUTREMONT—Gouin, Hon. Sir Lomer, K.C.M.G.
LAVAL-TWO MOUNTAINS—Ethier, Joseph Arthur Calixte.
LEEDS—Stewart, Hugh Alexander.
LENNOX AND ADDINGTON—Sexsmith, Edward James.
LETHBRIDGE—Jelliff, Lincoln Henry.
LÉVIS—Bourassa, Joseph Boutin.
LINCOLN—Chaplin, James Dew.
LISGAR—Brown, John Livingstone.
L'ISLET—Fafard, J. Fernand.
LONDON—White, John Franklin.
LOTBINIÈRE—Vien, Thomas.
LUNENBURG—Duff, William.

MACDONALD—Lovie, William James.
MACKENZIE—Campbell, Milton N.
MACLEOD—Coote, George Gibson.
MAISONNEUVE—Robitaille, Clément.
MAPLE CREEK—McTaggart, Neil Haman.
MARQUETTE—Crerar, Hon. Thomas Alexander.
MASKINONGÉ—Desrochers, Eugène.
MATANE—Pelletier, François Jean.
MEDICINE HAT—Gardiner, Robert.
MÉGANTIC—Roberge, Eusèbe.
MIDDLESEX, E. RIDING—Hodgins, Archie Latimer.
MIDDLESEX, W. RIDING—Drummond, John Douglas Fraser.
MISSISQUOI—Kay, William Frederic.
MONTMAGNY—Déchène, Aimé Miville.
MOOSE JAW—Hopkins, Edward N.
MUSKOKA—Hammell, William James.

NANAIMO—Dickie, Charles Herbert.
NEEPAWA—Milne, Robert.
NELSON—Bird, Thomas William.
NEW WESTMINSTER—McQuarrie, William Garland.
NICOLET—Descoteaux, Joseph F.
NIPISSING—Lapierre, Edmond Anthony.
NORFOLK—Wallace, John Alexander
NORTH BATTLEFORD—Davies, Claudius Charles.
NORTHUMBERLAND (N.B.)—[2]Morrissy, John.
NORTHUMBERLAND (Ont.)—Maybee, Milton. Edgar.

ONTARIO, N. RIDING—Halbert, Robert Henry.
ONTARIO, S. RIDING—Clifford, Lawson Omar.
OTTAWA—Chevrier, Edgar Rodolphe Eugène.
McGiverin, Harold Buchanan.
OXFORD, N. RIDING—Sinclair, Duncan James.
OXFORD, S. RIDING—Sutherland, Donald.

PARKDALE—Spence, David.
PARRY SOUND—Arthurs, James.
PEEL—Charters, Samuel.
PERTH, N. RIDING—Rankin, James Palmer.
PERTH, S. RIDING—Forrester, William.
PETERBOROUGH, E. RIDING—Brethen, George Arthur.

[1] Resigned June 27, 1924.
[2] Died July 31, 1924; William Bunting Snowball elected Oct. 7, 1924.

PETERBOROUGH, W. RIDING—Gordon, George Newcombe.
PICTOU—Macdonald, Hon. Edward Mortimer.
PONTIAC—Cahill, Frank S.
PORTAGE LA PRAIRIE—Leader, Harry.
PORT ARTHUR AND KENORA—Kennedy, Dougald.
PORTNEUF—Delisle, Michel Siméon.
PRESCOTT—Binette, Joseph.
PRINCE ALBERT—Knox, Andrew.
PRINCE EDWARD—Hubbs, John.
PRINCE, (P.E.I.)—MacLean, Alfred Edgar.
PROVENCHER—Beaubien, Arthur Lucien.

QU'APPELLE—Millar, John.
QUEBEC COUNTY—Lavigueur, Henri E.
QUEBEC, EAST—Lapointe, Hon. Ernest.
QUEBEC, SOUTH—Power, Charles Gavan.
QUEBEC, WEST—Parent, George.
QUEEN'S (P.E.I.)—Sinclair, Hon. John Ewen. Mackinnon, Donald Alexander.

RED DEER—Speakman, Alfred.
REGINA—Motherwell, Hon. William R.
RENFREW, N. RIDING—McKay, Matthew.
RENFREW, S. RIDING—Low, Hon. Thomas Andrew.
RESTIGOUCHE AND MADAWASKA—Michaud, Pius.
RICHELIEU—Cardin, Hon. Pierre Joseph Arthur.
RICHMOND AND WOLFE—Tobin, Edmund William.
RIMOUSKI—[1]d'Anjou, Joseph Emile Stanislas Emmanuel.
ROYAL—Jones, George Burpee.
RUSSELL—Murphy, Hon. Charles.

ST. ANN—Walsh, Joseph C.
ST. ANTOINE—[2]Mitchell, Walter G.
ST. DENIS—Denis, J. Arthur.
ST. HYACINTHE-ROUVILLE—Morin, L. S. René.
ST. JAMES—Rinfret, Fernand.
ST. JOHN CITY AND COUNTIES OF ST. JOHN AND ALBERT—Baxter, Hon. John B. M. MacLaren, Murray.
ST. JOHNS AND IBERVILLE—Benoit, Alderic Joseph.
ST. LAWRENCE AND ST. GEORGE—Marler, Herbert.
ST. MARY—Deslauriers, Hermas.
SALTCOATS—Sales, Thomas.
SASKATOON—Evans, John.
SELKIRK—Bancroft, Leland Payson.
SHEFFORD—Boivin, George Henry.
SHELBURNE AND QUEENS—Fielding, Rt. Hon. William Stevens.
SHERBROOKE—McCrea, Francis N.
SIMCOE, E. RIDING—Chew, Manley.
SIMCOE, N. RIDING—Ross, Thomas Edwin.
SIMCOE, S. RIDING—Boys, William Alves.
SKEENA—Stork, Alfred.
SOURIS—Steedsman, James.
SPRINGFIELD—Hoey, Robert Alexander.
STANSTEAD—Baldwin, Willis Keith.
STRATHCONA—Warner, Daniel Webster.
SWIFT CURRENT—Lewis, Arthur John.

TÉMISCOUATA—[3]Gauvreau, Charles Arthur.
TERREBONNE—Prévost, Jules Edouard.
THREE RIVERS AND ST. MAURICE—Bureau, Hon. Jacques.
TIMISKAMING—McDonald, Angus.
TORONTO, CENTRE—Bristol, Hon. Edmund.
TORONTO, EAST—Ryckman, Edmond Baird.
TORONTO, NORTH—Church, Thomas Langton.
TORONTO, SOUTH—Sheard, Charles.
TORONTO, WEST—Hocken, Horatio Clarence.

VANCOUVER, CENTRE—Stevens, Hon. Henry Herbert.
VANCOUVER, SOUTH—Ladner, Leon Johnson.
VAUDREUIL-SOULANGES—Ouimet, Joseph Rodolphe.
VICTORIA (Alta.)—Lucas, William Thomas.
VICTORIA (O.)—Thurston, John J.
VICTORIA AND CARLETON (N.B.)—Caldwell, Thomas W.
VICTORIA CITY (B.C.)—Tolmie, Hon. Simon Fraser.

WATERLOO, N. RIDING—Euler, William D.
WATERLOO, S. RIDING—Elliott, William.
WELLAND—German, William Manley.
WELLINGTON, N. RIDING—Pritchard, John.
WELLINGTON, S. RIDING—Guthrie, Hon. Hugh.
WENTWORTH—Wilson, Gordon Crooks.
WESTMORELAND—Copp, Hon. Arthur Bliss.
WESTMOUNT-ST. HENRI—Mercier, Paul.
WEYBURN—Morrison, John.

[1] Resigned July 19, 1924; Sir Eugène Fiset elected Sept. 2, 1924.
[2] Resigned May 14, 1924; William James Hushion elected Oct. 7, 1924.
[3] Died Oct. 9, 1924.

WINNIPEG, CENTRE—Woodsworth, James S.

WINNIPEG NORTH—McMurray, Hon. Edward James.

WINNIPEG, SOUTH—Hudson, Albert Blellack.

WRIGHT—Gendron, Romuald M.

YALE—[1]MacKelvie, John A.

YAMASKA—Boucher, Aimé.

YARMOUTH AND CLARE—Hatfield, Paul La Combe.

YORK, E. RIDING—Harris, Joseph Henry.

YORK, N. RIDING—King, Rt. Hon. W. L. Mackenzie.

YORK, S. RIDING—Maclean, William Findlay.

YORK, W. RIDING—Drayton, Hon. Sir Henry L., Kt.

YORK-SUNBURY—Hanson, Richard B.

YUKON—Black, George.

[1] Died June 4, 1924.

CANADA

House of Commons Debates

OFFICIAL REPORT

Thursday, February 28, 1924

THIRD SESSION, FOURTEENTH PARLIAMENT—OPENING

The parliament which had been prorogued from time to time to the 28th day of February, 1924, met this day at Ottawa for the despatch of business.

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

Mr Speaker read a communication from Mr. A. F. Sladen, Governor General's Secretary, announcing that His Excellency the Governor General would proceed to the Senate chamber at three p.m. on this day, for the purpose of formally opening the session of the Dominion parliament.

A message was delivered by Colonel Ernest J. Chambers, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, His Excellency the Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly the House went up to the Senate chamber.

And the House being returned to the Commons chamber:

VACANCIES

Mr. SPEAKER: I have the honour to inform the House that during the Recess I received communications from several members notifying me that the following vacancies had occurred in the representation, viz:

Of the Hon. Thomas Andrew Low, member for the electoral district of the south riding of Renfrew, consequent upon the acceptance of an office of emolument under the Crown.

Of the Hon. Edward Mortimer Macdonald, member for the electoral district of Pictou, consequent upon the acceptance of an office of emolument under the Crown.

Of Edward James McMurray, Esquire, member for the electoral district of North Winnipeg, consequent upon the acceptance of an office of emolument under the Crown.

Of Hon. Alexander K. Maclean, member for the electoral district of Halifax, consequent upon the acceptance of an office of emolument under the Crown.

Of Auguste Théophile Léger, Esquire, member for the electoral district of Kent, New Brunswick, by decease.

Of Pierre Joseph Arthur Cardin, Esquire, member for the electoral district of Richelieu, consequent upon the acceptance of an office of emolument under the Crown.

I accordingly issued my warrants to the Chief Electoral Officer to make out new writs of election for the said electoral districts respectively.

NEW MEMBERS

Mr. SPEAKER: I have the honour to inform the House that during the recess the Clerk of the House has received from the Chief Electoral Officer certificates of the election and return of the following members, viz:

Of Fenwick Lionel Kelly, Esquire, for the electoral district of Cape Breton North and Victoria.

Of Hon. Thomas Andrew Low, Esquire, for the electoral district of the south riding of Renfrew.

Of Hon. Edward Mortimer Macdonald for the electoral district of Pictou.

Of Hon. Edward James McMurray for the electoral district of North Winnipeg.

Of William Anderson Black, Esquire, for the electoral district of Halifax.

Of Alexandre Joseph Doucet, Esquire, for the electoral district of Kent, New Brunswick.

NEW MEMBERS INTRODUCED

Hon. Thomas Andrew Low, member for the electoral district of South Renfrew, introduced by Right Hon. W. L. Mackenzie King and Hon. George P. Graham.

Hon. Edward Mortimer Macdonald, member for the electoral district of Pictou, introduced by Right Hon. W. L. Mackenzie King and Hon. George P. Graham.

Hon. Edward James McMurray, member for the electoral district of North Winnipeg, introduced by Right Hon. W. L. Mackenzie King and Hon. George P. Graham.

Fenwick Lionel Kelly, Esquire, member for the electoral district of Cape Breton North and Victoria, introduced by Right Hon. W. L. Mackenzie King and Hon. E. M. Macdonald.

William Anderson Black, Esquire, member for the electoral district of Halifax, introduced by Right Hon. Arthur Meighen and Hon. J. B. M. Baxter.

Alexander Joseph Doucet, Esquire, member for the electoral district of Kent, New Brunswick, introduced by Right Hon. Arthur Meighen and Hon. J. B. M. Baxter.

OATHS OF OFFICE

Bill No. 1, respecting the administration of oaths of office, introduced and read the first time.—Right Hon. W. L. Mackenzie King.

THE GOVERNOR GENERAL'S SPEECH

Mr. SPEAKER: I have the honour to inform the House that when the House did attend His Excellency the Governor General this day in the Senate chamber, His Excellency was pleased to make a speech to both Houses of parliament. To prevent mistakes, I have obtained a copy, which is as follows:

Honourable Members of the Senate:

Members of The House of Commons:

I am glad to be able to congratulate you upon the many evidences of increased prosperity. Though the general economic situation still reflects the consequences of the World War, the records of production, trade transportation, employment and public finance have been uniformly increasingly favourable throughout the Dominion. The state of general employment has been distinctly better. The volume of business has steadily increased. Especially has the country reason to feel gratified at the expansion to a notable degree of its public revenues and decline of its expenditures.

I am persuaded that a reduction in taxation, and in production and transportation costs, such as will encourage the investment of capital in industrial enterprise and attract settlers in large numbers to our Dominion, are all that are necessary to effect an economic development hitherto unparalleled.

My ministers are strongly of the opinion that a reduction of taxation is of first importance, and that to this end the efforts already put forth to combine strict economy in the administration of the public services with rigorous retrenchment in public expenditures, should be furthered in as many directions as may be possible. This is the more imperative, in that the margin of controllable expenditure within which economies can be effected is necessarily restricted.

My ministers believe, however, that in virtue of economies already effected they will, when the present financial year closes, be able to announce to the country that for the first time since 1912-1913 the national budget has been balanced. They are further of the opinion that when the budget for the ensuing fiscal year is introduced it will be found that the relation between public revenue and public expenditure is such as to justify some immediate reduction of taxation.

In the opinion of the government, such reduction of taxation as it may be possible to effect should aim primarily at reducing the cost of the instruments of production in the industries based on the natural resources of the Dominion, thereby aiding materially in the development of our natural resources, and, through cheapened production, effecting a diminution also in the cost of living.

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

National unity, not less than national prosperity, depends upon the surmounting of those barriers which have tended to separate western from eastern Canada and to discourage permanent settlement upon the land. Foremost in this regard are the problems incidental to tariff readjustments and to the marketing of agricultural and other natural products.

The stabilization and control of freight rates on grain from the head of the great lakes to Canadian ocean ports and thence to Liverpool, are receiving the closest attention. It is hoped that the report of the Royal Grain Inquiry Commission authorized last session to inquire into the subject of the handling and marketing of grain will be available for presentation to parliament this session, and that legislation based upon its recommendations may be offered for your consideration.

The further development of our magnificent inland water transportation routes, which will result in lower carrying charges for the products of the farms of the West as well as for the products of the mine, the forest, and the diversified industries of the East, is of vital importance. To aid in the accomplishment of this purpose work on the new Welland ship canal is being expedited.

A further interchange of correspondence has taken place between my government and the government of the United States with reference to the St. Lawrence waterway. In the opinion of my advisers, the importance of this question is such that further inquiry should be instituted before a final decision is reached upon the proposals which have been under consideration.

The important subject of marine insurance as affecting our ports; the permanent equalization of the rate on Canadian flour, and the removal of discriminations in ocean rates on other Canadian products are receiving attention.

As a stimulus to stock-raising in the Dominion, and of direct benefit to agriculture, the government has been endeavouring to obtain a lower carrying charge on all shipments of Canadian cattle.

Every effort will be made still further to develop the policy of Canadian trade via Canadian ports.

Particularly satisfactory and promising is the material improvement which has taken place in the financial condition of the Canadian National Railway system.

The Dominion Fuel Board has been created to study and make recommendations in regard to the development of our fuel resources with a view to making Canada independent, so far as possible, of foreign sources of supply. The investigations carried on by this board have already been productive of important results, and legislation to encourage Canadian production will be submitted for your consideration.

The amendments made to the Bank Act in the last decennial revision of the last session provided better guarantees for the public in banking operations; their wisdom has already been abundantly apparent. The depositors in the Home Bank have asked that they should be recouped the amount of their losses, and in their petition made representations which my advisers regard as so important as to warrant full investigation. To that end a commission has been appointed to

inquire fully into the allegations made by these petitioners.

The Redistribution Bill of last session respecting the representation of the House of Commons will be reintroduced at an early date. Among amendments to be proposed to the Dominion Elections Act will be one providing for the use of the transferable vote in single-member constituencies.

Bills will again be submitted. with respect to the construction of Canadian National Railway lines, the Industrial Disputes Investigation Act, and race-track gambling. Your attention will also be invited to amendments to the Government Annuities Act, to provide additional encouragement in the promotion of thrift and self-help, and to amendments to the Militia Act with respect to the calling-out of the militia in aid of the civil power.

The Imperial Conference and the Imperial Economic Conference held in London in the months of October and November last between representatives of the government of the United Kingdom and of the British dominions and India, dealt with many subjects with which the Empire at large is interested. The reports of the proceedings of both conferences will be presented to parliament.

Members of the House of Commons:

The public accounts for the last fiscal year and the estimates for the coming year will be submitted at an early date.

You will observe that in the preparation of the estimates my advisers have felt the necessity of continuing the policy of rigid economy with respect to public services and public works, and of postponing until such time as a reduction in taxation has been effected some undertakings the early consideration of which are obviously in the public interest.

Honourable Members of the Senate:

Members of the House of Commons:

The prospects of an exceptional harvest, so bright at the close of the last session, have been more than realized. Final information as to the crops of 1923 indicate that they were the most bountiful in Canada's history. In again inviting your careful consideration to the important matters which will engage your attention, I pray that the Divine Providence, which has thus favoured our land, may guide and bless your deliberations.

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the Speech of His Excellency, the Governor General, to both Houses of Parliament be taken into consideration on Monday next, and that this order have precedence over all other business except the introduction of bills until disposed of.

Motion agreed to.

SELECT STANDING COMMITTEES

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That a special committee be appointed to prepare and report, with all convenient speed, lists of members to compose the select standing committees of this House under rule 10, said committee to be composed of Messieurs. Béland, Copp, Low, Kyte, Papineau, Tolmie, Boys, Johnston (Last Mountain) and Halbert, and that that portion of rule 10 limiting the number of members of the said committee be suspended in relation thereto.

Motion agreed to.

INTERNAL ECONOMY COMMISSION

Right Hon. W. L. MACKENZIE KING (Prime Minister presented the following message from His Excellency the Governor General:

The Governor General transmits to the House of Commons a certified copy of an approved Minute of Council appointing the Honourable H. S. Béland, Minister of Soldiers' Civil Re-establishment; the Honourable Thomas A. Low, Minister of Trade and Commerce; the Honourable J. H. King, Minister of Public Works and the Honourable John E. Sinclair, Minister without portfolio, to act with the Speaker of the House of Commons, as commissioners for the purposes and under the provisions of the eleventh chapter of the Revised Statutes of Canada, 1906, intituled "An Act respecting the House of Commons."

REPORTS

Report of the Chief Electoral Officer in conformity with the Dominion Elections Act.—Mr. Speaker.

Joint Report of the Librarians of Parliament.—Mr. Speaker.

DEPUTY SERGEANT-AT-ARMS

Mr. SPEAKER: I have the honour to inform the House that the Sergeant-at-Arms, with my approval, has appointed Edouard Taschereau, Esquire, to be his deputy during the present session of parliament.

THE LATE MR. AUGUSTE THEOPHILE LEGER

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, in the brief interval of time which has elapsed since our last session, the hand of death has removed from our midst Mr. Auguste Theophile Leger at the time of his death, member for the constituency of Kent, New Brunswick. Mr. Leger became a member of this House in the general elections of 1917. He was re-elected in the general elections of 1921. Being of a very modest and retiring disposition, he took little part in the debates of the House. When he spoke, however, it was always with vigour, and with equal readiness in either the French or the English language. Few members were more constant in their attendance, and few have sought more faithfully to safeguard and further the interests of their constituents.

Mr. Leger was in his 72nd year at the time of his death. He was well known and highly regarded not only in his own constituency but throughout the Maritime provinces. Throughout his life he took a keen interest in public affairs. He was no stranger to the ups and downs of politics, having contested no less than six elections, three in the provin-

cial field and three in the federal field, having won as many as he lost. For a number of years he held the position of postmaster and later of sheriff. Each position he resigned to enter a political contest. He was a staunch Liberal, and a loyal and devoted supporter of his party and its cause.

I am sure hon. members irrespective of their affiliations, will join with me in expressing our sincere sympathy with Madame Leger and the several members of the family in their great bereavement.

RIGHT HONOURABLE W. S. FIELDING

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, it is not customary, I know, to allude to the absence through illness of honourable members, but the House will permit me, I am sure, to give expression to the regret which we all experience at the circumstances which prevent the right hon. the Minister of Finance from being in his seat to-day. I called on Mr. Fielding during the morning and found him full of regrets at being unable to be with us, most anxious to be able to do his part. The old zeal and energy were there, but unfortunately not the necessary strength. I assured him that his disappointment at not being present with us would be more than equalled by our disappointment at not having him here. We can only hope that the breakdown which he has sustained and which is due to overwork in the discharge of his public duties may not be as serious as at first it threatened to be, and that in his advanced years he may be permitted to enjoy the health as well as honour which his great career so richly deserves.

SIR LOMER GOUIN—RETIREMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, the honourable the former Minister of Justice found it necessary by reason of the impairment of his health to ask at the close of last year to be relieved of the responsibilities of office. I am happy to say that accepting the resignation of Sir Lomer Gouin from the ministry has not involved his resignation also from the House and that we may look forward to the pleasure of having him with us very shortly after the House has resumed its business. At the next sitting of parliament, on Monday, I shall lay on the table the exchange of correspondence which has taken place between Sir Lomer Gouin and myself in reference to his resignation.

[Mr. Mackenzie King.]

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, very rarely has it been our good fortune, in the now somewhat protracted period of years that I have been a member of this House, to open a session without being called upon to regret the demise of one or more of our members. Indeed, such has been the visitation of Providence on our numbers that at the moment I cannot recall any single session when the sad duty has not devolved upon us. This time, in the case of only one, the hon. member for Kent, New Brunswick, we are called upon to lament his absence from our midst. It was not my personal good fortune to come closely in contact with the hon. member for Kent when he was in the House. I did, however, on many occasions meet him, and I formed of his character an opinion much in consonance with that expressed by the Prime Minister (Mr. Mackenzie King) this afternoon. His companionable disposition, his concentrated devotion to his duties in parliament, his anxious fidelity on behalf of his own constituents, impressed all with whom he came in contact. It is for me a privilege to be permitted to join on behalf of hon. members on this side of the House with the words of the Prime Minister and with the expressions of sympathy which he has uttered in reference to the unfortunate widow and family of the late hon. member.

May I also associate myself with the expression of regret which has fallen from the Prime Minister's lips for the absence on account of illness of the Minister of Finance (Mr. Fielding) and the former Minister of Justice, adding only this word, that we regret alike their indisposition and that of other hon. members who are unable at this time to be amongst us.

Mr. ROBERT FORKE (Brandon): Mr. Speaker, I think I may speak on behalf of hon. members in this part of the House and concur in the remarks that have been made in reference to the death of one who was a member of this House. I am sure we all regret that such an occurrence has taken place, and I would express my sympathy to the family of the deceased member in the great loss which they have sustained.

In regard to the absence of the hon. the Minister of Finance, I can safely say that it will be a distinct loss to this House, and I am sure that hon. gentlemen in every part of the chamber will regret the fact that the hon. minister is not with us to participate in our deliberations. We all undoubtedly recognize his ability, his strength of character and his honesty of purpose, and no doubt the

hope is general, notwithstanding all we hear that would suggest the contrary, that some day in the not very distant future, we may see him again sitting in the front ranks of the government.

On motion of Mr. Mackenzie King the House adjourned at 4.30 p.m. until Monday, March 3.

Monday, March 3, 1924

The House met at three o'clock.

NEW MEMBER

Mr. SPEAKER: I have the honour to report to the House that the Clerk of the House has received from the Chief Electoral Officer certificates of the election of the Hon. Pierre Joseph Arthur Cardin for the electoral district of Richelieu.

NEW MEMBER INTRODUCED

Hon. Pierre Joseph Arthur Cardin, member for the electoral district of Richelieu, introduced by Right Hon. W. L. Mackenzie King and Hon. Jacques Bureau.

ASH WEDNESDAY ADJOURNMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister): I beg to move, seconded by Hon. Mr. Graham, that when this House adjourns on Tuesday, March 4, it do stand adjourned until Thursday, March 6.

Motion agreed to.

BAKER MEMORIAL—HANSARD REPORT

Right Hon. W. L. MACKENZIE KING: I move, seconded by Right Hon. Arthur Meighen, leader of the opposition:

That what was said by Mr. Speaker, the Prime Minister, the Right Honourable Arthur Meighen, Robert Forke, Esquire, Sir James Lougheed, and the Hon. George G. Foster, K. C., on Friday last, the 29th of February, on the occasion of the unveiling by His Excellency the Governor General of the monument to the memory of Lieut.-Col. George Harold Baker, M.P., be printed in Hansard as a supplement to the proceedings of this day.

Motion agreed to.

RESIGNATION OF SIR LOMER GOUIN

Right Hon. W. L. MACKENZIE KING: I promised last Thursday to lay on the Table of the House copies of the correspondence between the Hon. Sir Lomer Gouin and myself concerning Sir Lomer's resignation as Minister of Justice, and I now lay these documents on the Table.

REPORTS AND PAPERS

Report of the Internal Economy Commission of the House of Commons for the last fiscal year.—Mr. Speaker.

Report of the Secretary of State for external Affairs for the year ended 31st March, 1923.—Right Hon. Mr. Mackenzie King.

Report of the Imperial Economic Conference, 1923; report of the Imperial Conference, 1923.—Right Hon. Mr Mackenzie King.

Copies of the Liquor Convention with the United States.—Right Hon. Mr. Mackenzie King.

Report of the Canadian delegates to the Fourth Assembly of the League of Nations, 1923.—Hon. Mr. Graham.

Rules adopted by the various provinces relating to Criminal Appeals under the provisions of the Criminal Code of Canada—Hon. Mr. Lapointe.

Rules and amendments under the Bankruptcy Act.—Hon. Mr. Lapointe.

Report of the Department of Health, for the year ended December 31, 1923.—Hon. Mr. Beland.

Report of the Minister of Customs and Excise.—Hon. Mr. Bureau.

Report of the Soldier Settlement Board for the year ended March 31, 1923.—Hon. Mr. Robb.

Report of the Department of Immigration and Colonization for the fiscal year ended March 31, 1923.—Hon. Mr. Robb.

Report of the Auditor General for the fiscal year ended March 31, 1923.—Hon. Mr. Robb.

Statements: Governor General's Warrants and Treasury Board over-rulings; Unforeseen expenses, April 1, 1923 to February 28, 1924; Superannuation and retiring allowances for year ended December 31, 1923; Civil Service Insurance for year ended March 31, 1923; Returned Soldiers' insurance for year ended March 31, 1923; National Battlefields Commission receipts and expenditures, for year ended March 31, 1923.—Hon. Mr. Robb.

Lists: Shareholders in Canadian Chartered Banks; Unclaimed balances, etc., in Canadian Chartered Banks; Shareholders in Quebec Savings Banks; List of unclaimed balances, etc., in Quebec Savings Banks.—Hon. Mr. Robb.

Superintendent of Insurance, report on business of 1922, vol. 1, fire and miscellaneous; vol. 2, life; also report on Loan and Trust Companies for year ended December 31, 1922. —Hon. Mr. Robb.

Department of National Defence, Report for year ended March 31, 1923, Militia service and Air service, also for Naval service.—Hon. Mr. Macdonald (Pictou).

General Orders, promotions and retirements, Canadian Militia; also Naval Service.—Hon. Mr. Macdonald (Pictou).

Report of the Secretary of State for year ended March 31, 1923.—Hon. Mr. Copp.

Annual Report of the Minister of Agriculture, year ended March 31, 1923.—Hon. Mr. Motherwell.

Report of the Director of Experimental Farms, year ended March 31, 1923.—Hon. Mr. Motherwell.

Report under Destruction of Insects and Pests Act, year ended March 31, 1923; Agricultural Instruction Act, March 31, 1923.—Hon. Mr. Motherwell.

Report of the Department of Indian Affairs, year ended March 31, 1923.—Hon. Mr. Stewart (Argenteuil).

Report of the Department of the Interior.—Hon. Mr. Stewart (Argenteuil).

Annual Report, Department of Mines, year ended March 31, 1923.—Hon. Mr. Stewart (Argenteuil).

Statements: Permits to take intoxicants into the North West Territories; year ended March 31, 1923; Land sold by the Canadian Pacific Railway, year ended December 31, 1923.—Hon. Mr. Stewart (Argenteuil).

Annual Report of the Postmaster General for the year ended March 31, 1923.—Hon. Mr. Stewart (Argenteuil) (for Hon. Mr. Murphy).

Annual Report of the Department of Trade and Commerce for the fiscal year ended March 31, 1923.—Hon. Mr. Low.

Report of the Commissioner of Patents for the year ended March 31, 1923.—Hon. Mr. Low.

Rules and Forms made under the Copyright Act, 1921.—Hon. Mr. Low.

Copy of Order in Council of the 9th January, 1924, assigning the Copyright Act of 1921 to the Minister of Trade and Commerce for administration.—Hon. Mr. Low.

Annual Report of the Weights and Measures and Electricity and Gas Inspection Service for the fiscal year ended March 31, 1923.—Hon. Mr. Low.

Annual Report of the Administrative Chairman of the Advisory Council for Industrial and Scientific Research.—Hon Mr. Low.

Report of Dominion Statistician.—Hon. Mr. Low.

Regulations of the Board of Grain Commissioners for the period ended August 31, 1923.—Hon. Mr. Low.

Financial Statement of the Honorary Advisory Council for Scientific and Industrial Research for the fiscal year ended March 31, 1923.—Hon. Mr. Low.

Annual Report of the Department of Public Works for the year ended March 31, 1923.—Hon. Mr. King (Kootenay).

Annual Report of the National Gallery of Canada for the fiscal year 1922-23.—Hon. Mr. King (Kootenay).

Annual Report of the Department of Labour for the fiscal year ended March 31, 1923, including reports of proceedings under the following Statutes: Employment Offices Co-ordination Act; Industrial Disputes Investigation Act; Technical Education Act, and Government Annuities Act.—Hon. Mr. Murdock.

Annual Report of the Department of Public Printing and Stationery for the fiscal year ended March 31, 1923, including the publication of the statutes.—Hon. Mr. Murdock.

Report of the Commission to inquire into the Industrial Unrest among the Steel Workers at Sydney, N.S.—Right Hon. Mr. Mackenzie King.

PROTECTION OF WORKERS

Hon. JAMES MURDOCK (Minister of Labour): I beg to lay on the table of the House the authentic text of a recommendation concerning the general principles for the organization of systems of inspection to secure the enforcement of the laws and regulations for the protection of workers which was adopted by the International Labour Conference at its Fifth Session in Geneva, October 22 to 29, 1923. The existing laws and regulations in Canada for the protection of workers have in all cases been adopted by the provincial authorities, and this recommendation has accordingly been communicated officially to the respective provincial governments in conformity with the requirements of Article 405 of the Treaty of Versailles and the analogous provisions of the other treaties of peace.

REDISTRIBUTION.

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved for leave to introduce Bill No. 2, to readjust the representation in the House of Commons.

Motion agreed to and bill read the first time.

CAPITAL PUNISHMENT

Mr. WILLIAM IRVINE (East Calgary) moved for leave to introduce Bill No. 3, to amend the Criminal Code (Capital punishment).

Some hon. MEMBERS: Explain.

Mr. IRVINE: Mr. Speaker, the purpose of this bill is to amend section 77, subsection 2 of section 74, section 263, and section 299 of the Criminal Code. I may just explain that it provides for the substitution of life imprisonment in all cases where punishment by death is now the law. The bill was introduced last year, but it did not reach the second reading.

Motion agreed to and bill read the first time.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY, MOVED BY MR. F. L. KELLY, SECONDED BY MR. E. A. LAPIERRE

The House proceeded to the consideration of the Speech of His Excellency the Governor General at the opening of the session.

Mr. F. L. KELLY (Cape Breton North and Victoria) moved:

That an address be presented to His Excellency the Governor General, offering the humble thanks of this House to His Excellency for the gracious speech which he has been pleased to make to both Houses of Parliament.

He said: I crave the indulgence of this honourable House for the imperfect manner in which I shall present such observations as I desire to make in connection with this resolution. I am a plain business man with all the limitations of such as a public speaker and as a consequence I trust the indulgence given will be the less restricted.

I am deeply sensible of the honour which has been conferred upon the great constituency of Cape Breton North and Victoria, which I have the honour to represent, by according to me the privilege of moving this motion. I am especially pleased to have this honour in view of the fact that during last summer His Excellency the Governor General, the representative in Canada of His Most Gracious Majesty the King, was pleased to come to eastern Canada, and during his tour to visit my constituency where, in North Sydney my native town, as mayor, I had the much esteemed honour and pleasure of welcoming him to my country and of presenting to him my fellow-citizens. The visit of His Excellency, the Baron Byng of Vimy, and Lady Byng, was much appreciated by all our people, and the solicitude, and sympathy displayed by Lord Byng for the returned soldiers and their relatives, served doubly to endear him, not only to the men of Canada whom he commanded on the battlefields of France and Flanders, but to all our people irrespective of race or creed; I may truly say the people of eastern Canada are the better for his visit and that it was good for him to have been there.

It is customary, I believe, for a member to refer to outstanding features of his constituency. Cape Breton North and Victoria presents more diversified conditions than, perhaps, any other riding in Canada. Its industries are varied. In the first place we have the great industries of coal-mining and steel-making. The oldest coal-mining centre in America is situate within its boundaries; whilst its confines enclose one of Canada's greatest steel plants. Its coastal fisheries are extensive and prolific; and agriculture and lumbering therein are of primary importance. For this and other reasons, Mr. Speaker, the requirements of this constituency are many and varied as regards public works, aids to navigation, and increased public facilities in order that our industries may be more extensively developed, and our trade increased so that this constituency may, in short, come into its own.

From the business point of view the Speech from the Throne furnishes many substantial grounds for congratulation. It is gratifying to know that there are many evidences of increasing prosperity. It is pleasing to learn that whilst this country still reflects conditions many of which may be attributed to the great world war, every branch of industry gives promise of soon again being in a stable and wholesome condition. If I can judge the conditions obtaining in the business world of Canada to-day—and I presume to say I can—I believe there are indications, and many cogent reasons for believing, that Canada ere long will experience vaster and more profitable commercial developments than she has ever enjoyed in the past. In this connection, Mr. Speaker, I wish to congratulate the people of Canada on having in power a government which has already restored public confidence to such a degree that business conditions have already improved, whilst the outlook for the future trade and development of our country is bright indeed.

Taxes are always odious, though at times necessary, Mr. Speaker, and for that reason a country should levy upon its citizenship only the minimum of taxation. That minimum should be assessed in the least obnoxious manner, and equitably levied upon those who can best afford to pay. However, I may say, capital should not be unduly harassed by excessive taxation, and the capitalist should be encouraged in his investments in every legitimate manner. Manufacturing industries can flourish and endure only where taxation and other costs are lightest, whilst the basic industry of agriculture can only survive when

the necessary implements of production can be secured at the minimum of cost and the burden of taxation is made to bear lightly upon the tiller of the soil. The same may be said of that industry which necessitates those who prosecute it to go down to the sea in ships and have their living in deep waters —the fisheries. The task thrown upon the government of to-day, after the enormous war expenditure and other obligations, many of them wholly extravagant and unnecessary, incurred during the years preceding their coming into office, was and still is, a very onerous one. The Canadian people should never forget that the responsibility of the taxation of to-day does not rest upon this government, but upon their predecessors, who were dismissed from office only two years ago.

The removal of all artificial barriers to national unity and prosperity will find a responsive chord in the breast of all true Canadians. Canada is a country of widely divergent requirements, and it is only by endeavouring in the spirit of co-operation and forbearance, the East with the West, and West with the East, that we can hope to draw together conflicting elements. Canadians are one people; and in endeavouring to remove all artificial barriers to national unity and prosperity, I wish the government God-speed. Our people must be united for all time, in order that in this land of ours, wide in its great extent, and peopled as it is by men and women of all races and creeds, these various different elements may, as the days go by, become blended and linked together by national interest and Canadian spirit until the day shall come when

> Their varying tints unite
> And form in Heaven's light
> One Arch of Peace.

I think it is always a matter of honest and legitimate inquiry to ascertain whether the national revenues for the fiscal year have been sufficient to meet the country's expenditures. Ever since the year 1912-13 our national expenditures have greatly exceeded our country's income. Therefore, is it not a matter for sincerest congratulation to have our inquiry answered this year by the words of His Excellency which assure us that his advisers, the government of Canada, since 1921 have administered our affairs and governed Canada so wisely and well, that for the first time since 1912-13 the national budget has been balanced; and further, that, when the present financial year closes, the difference between public revenue and public expenditure will be found to be such as to justify the reduction of some of those taxes which have borne so heavily on our people? It is, Mr. Speaker, the most helpful sign, and with the government that holds the reins of office in Canada to-day, backed by the energy, thrift, ability and character of our Canadian citizens, I make bold to predict that ere long we may look forward to the day of surpluses in our country's financial transactions, the day when we shall return to such prosperity as was enjoyed during the golden era of Sir Wilfrid Laurier's regime. Already, Sir, I can see signs of "the roseate hues of that early dawn, the brightness of that day."

Mr. Speaker, I believe the government's opinion, as expressed in the Speech from the Throne, as to where the reduction in taxation should primarily take place is in the right direction, and I see in it the precursor of the further fulfilment of the historic principles of the Liberal party.

The matter of the consolidation of the various revenue collecting services is a consummation devoutly to be wished. I feel therefore Mr. Speaker, the tax-paying people of Canada will commend the government's proposal to constitute a board for the investigation of the various modes of taxation, believing, as I do, that the object of the constitution of such a board by the government is to have the taxation levied and collected with the minimum amount of expense to the government and with the least possible trouble to and exasperation of the person required to bear the tax and pay it.

Sir, the manner of the development of transportation facilities on inland waters, or any manner of transportation which will result in the lowering of the cost of carriage of the products of any of our important primary industries, will, I feel sure, merit the approbation of all fair-minded Canadians. In taking steps toward that end, the government is showing itself truly progressive and true to Liberal principles, and I am confident its efforts will receive the reward of services well performed.

Mr. Speaker, marine insurance is a matter of paramount importance to those engaged in the shipping industry, be they the owners of ships or of the cargoes carried therein. For a great length of time Canadian shipping interests have felt themselves penalized by being charged what they consider excessive rates for marine insurance, whilst in many instances there have obtained discriminatory rates against Canadian ports. That the government is seriously considering this matter is an earnest that we can confidently look forward to progressive methods calculated to ameliorate the conditions at present alleged to obtain.

The question of the permanent equalization of the rates on Canadian flour and the equalization of ocean rates generally will, I apprehend, find the attentive ear of our consignors and consignees and of our shipping and other business interests, and every true Canadian should earnestly commend this government for the steps proposed to be taken in that direction.

Mr. Speaker, it is exceedingly pleasing to know that the government promises to make every effort to develop the policy of Canadian trade through Canadian ports. Last year the increase of the British preference was conditioned upon the importation of British goods through Canadian ports. The effect of that condition was plainly evident at such import ports as Halifax, St. John, Quebec and Montreal, to which direct lines of shipping come from the British Isles. I would therefore urge upon the government that all goods coming across the Atlantic and Pacific for Canadian use and consumption, should, as a condition precedent to securing preferential customs terms, be imported through Canadian sea ports. The government has already in the short time they have been in power made a good beginning in that regard, and I think "That which they have done the earnest of the things that they will do."

All Canada will be pleased to learn that the financial condition of the Canadian National Railways has improved. This system has been a great drag on the revenue of Canada, with the resultant concomitant of great taxation upon our people. When railways are built they are supposed to do everything within the orbit of their power to help develop trade and industry, and it is to be hoped that the Canadian National system will keep in mind the rights of the people to cheap rates and transportation for the products of the basic industries of our country. The management of the Canadian National system should remember that the railways exist for the development of Canada, and I hope that as the people of Canada are ultimately responsible for the finances of the system the government will not be prone to divert to too great an extent the final say as to the management, policy and control of the railways from the government and parliament of Canada.

That the Dominion Fuel Board has for one of its main objects the making of Canada independent as far as possible of a foreign fuel supply is an encouraging sign of the times, and that legislation will be submitted to parliament calculated to increase Canadian production, is, I feel, of paramount importance to the great coal industry of this country. In the province from which I come the coal industry may be termed one of the most important. To-day that industry is more or less in a state of chaos. I do not intend to consider all the reasons for the conditions obtaining, as they may be many. Part of the trouble is undoubtedly due to disagreements from time to time between employers and employees. But I feel that the chief reason for the conditions obtaining is restricted and limited markets and high transportation charges. May I therefore make the suggestion and venture the hope that in any contemplated tariff re-adjustments the coal mining industry will be sympathetically considered with a view to the assuring to this industry the Canadian market and thus securing prosperity to our people, and a living wage to those who work in the bowels of the earth? May I also urgently request that when transportation charges on basic products are under consideration such rates on coal be stipulated as will assure its transport to where it is required at a price equitable both to producer and consumer?

The Canadian people annually send out of this country approximately one hundred millions of dollars for coal and coal products of various kinds, while we have within our own borders both west and east inexhaustible supplies of high-class fuel which should be used and so relieve this financial drain upon our resources. To enable the coal from east and west to supply the needs of the great central part of our country should be the aim of the government, and we look with hope to the announcement of a national policy on this important matter which will be of the greatest advantage to the whole country.

The building of railway lines where urgently required should always receive the favourable consideration of a government when the condition of the country's revenues permit of their construction, for the interior of the country can only be properly developed when there are satisfactory transportation facilities. In Canada to-day, I believe, there are many places in dire need of branch lines of railways in order to connect important sections with the main branch lines, and so open up and develop the interior country. In this connection I may say, Mr. Speaker, I do not believe there is a place in Canada in more dire need of a branch line railway, and where the people have greater claims to have one constructed, than in the county of Victoria, Nova Scotia, which is a portion of the federal constituency of Cape Breton North and Victoria. Victoria has great natural resources, but without railway con-

nections these resources must remain dormant and her thrifty and energetic people be deprived of the fruits of development which would most surely accrue if they had a railway through their country. I commend the building of branch lines where they are legitimately required, and in this connection I strenuously urge the construction by the government of a branch line connecting Alba on the main line of the Intercolonial Railway with Baddeck, the shire town of the county of Victoria.

It is most reassuring, Mr. Speaker, to know that as a result of the amendments to the Bank Act, enacted by parliament last year, the act has been improved. The appointment by the government of a commission to investigate the failure of the Home Bank is, in my opinion, the most reasonable method to pursue; and I feel that when the report of the commission is received and considered by the government of the day, they will do what is right toward all who are vitally interested in matters pertaining to this bank.

At this session, we are informed, the reports of the proceedings of the Imperial Conference held last year will be presented to parliament. In this connection I wish to congratulate the Right Honourable the Prime Minister and his colleagues who accompanied him to the conference on the manner in which we were represented overseas. The people of the Dominion of Canada have the fullest admiration for the able and distinguished manner in which they carried on the discussions and negotiations for and in behalf of this nation within the British Empire. Right truly did they set forth the true conception and ideal of our people as regards Canada's position as an autonomous entity in that galaxy of nations which will forever surround the British Throne.

Mr. Speaker, there are many other matters in the Speech from the Throne upon which I should like to comment, but this House has been so indulgent, that I feel I should not trespass any further upon its patience. I shall therefore refrain, lest further comment make my too prolix epistle fuller still. I have much honour, Sir, in moving the motion of which you have been given notice.

Mr. E. A. LAPIERRE (Nipissing) (Translation): I think, Mr. Speaker, that my first duty, in rising, is to express my heartfelt sorrow in the loss we have sustained by the death of Auguste Théophile Léger, member for Kent, who was so unexpectedly taken away from the affection of his family and the friendship of all those who were in a position to appreciate the eminent qualities of his heart and soul.

If I now glance around me, I can but equally regret the absence of two powerful parliamentary figures, the Right Hon. Mr. Fielding and Sir Lomer Gouin, as a result of illness and thereby removed from the scene of our political activities. Let us hope that Providence will still for a long time preserve to their country these men who unsparingly devoted themselves to her moral and material prosperity.

If, on the other hand these cruel losses have not all been repaired, we should rejoice in seeing Sir Lomer Gouin's seat occupied by a man so eminent and praiseworthy as the Hon. Ernest Lapointe, the new Minister of Justice. Our most sincere congratulations equally extend to the Hon. Mr. Cardin, whom the government, by a judicious choice, has called to the important post of Minister of Marine and Fisheries.

It is not my intention to dwell at length upon the gratitude which I feel towards the Prime Minister for the marked honour which he has conferred upon the constituency of Nipissing, in choosing me to second the Address in reply to the Speech from the Throne. I highly appreciate the favour which is bestowed upon me to continue, in this House, the rightful tradition of seconding in French the motion on the Address. Representing a county where almost half the population is French Canadian, I feel happy to see conferred upon my constituents, that is upon a numerous group of my compatriots, the honour to vindicate in their name the right of the official use of French in our parliamentary deliberations as well as in our public service.

At the opening of a session of parliament, it is the custom to briefly review the general outlook of the country. While undesirous of going into all the particulars which such an examination would entail, may I be allowed however, to point out to your kind attention a few phases of our economic situation. Undoubtedly I shall be unequal to the task which devolves upon me. I must therefore rely upon your forbearance to supplement my deficiencies as a speaker; however, I trust you will agree with me upon the reasons that we all have in hoping for a brighter future.

If I first cast my eyes, and this very naturally, I think, towards New Ontario, I perceive the enormous ore deposits of this vast region. Silver, nickel and gold, each day, are constantly being worked on a more extensive scale. The output of these precious minerals is already so great, that the mines of northern Ontario are bound to be rated among the most productive in the world. One might also mention the iron deposits which only

await the just renewal of the Dominion government's bounties to further contribute to the incalculable mineral wealth of the district. Let us not forget that the development of our mining industry will soon be one of our most valuable assets making for the return of old-time prosperity.

Already this prosperity is being felt. Thanks, indeed, to a more firm stability of the European countries, thanks to a better international feeling, we may look forward to days less beclouded than those we have just emerged from.

But our reasons for this hope are still closer at hand. They become, in a way, apparent on the simple inquiry into the wise and well balanced policy that the present government proposes to pursue. You are aware, Sir, that the Canadian people rejoice over the reassuring news of a policy fostering commerce, industry and agriculture, together with a policy of strict economy. And it is especially our farmers and the wage earners, I mean, those upon whom the burden of taxation falls the heaviest, that applaud the successful efforts of our present rulers. Confidence revives on the farm and in the workshops, and I have no fear in asserting here that such confidence will not be in vain.

No doubt, in order that the financial world should participate in that ever increasing sense of security which is met with in the farmer and the workman, some reform will be necessary, but they shall take place when the time is ripe for such changes. Our banking system will, no doubt, cause the government to thoroughly and immediately investigate. They will endeavour, by wise legislative measures, to stamp out, where they may exist, certain suspicions, nay even certain fears inspired by recent and unfortunate financial failures. Convinced that stability cannot otherwise be established, the government will endeavour to consolidate a banking system where nothing will be left to chance, and where the business man, the farmer and the wage-earner will be equitably protected in their savings.

As everything bears a relation to one another when it is a question of making a country prosperous, the government will take every possible opportunity of keeping a close watch on agricultural progress and helping its normal developments. Such foresight on the part of the government will be the more justified because agricultural conditions in the West, notwithstanding the exceptional abundance of the recent harvest, have not brought that prosperity which was expected and have even left the western farmer in a more difficult financial situation than the previous years.

If it was now deemed necessary to review the industrial development of the east, one would be inclined to acknowledge that it depends largely on the more or less prosperous conditions of the eastern and western farmers, who are large consumers of products and contribute greatly to the commercial, industrial and financial expansion.

However, there exists another cause for the progress and prosperity to which I want to draw for a moment your attention. How much have we not deplored within the past few years, the enormous drain which our National Railways effected on the public funds. Nevertheless, to the great satisfaction of all, these distressing deficits of our state railways are transformed from month to month into surpluses which are playing an important part in our finances.

As a result of an energetic and wise railway policy, the national debt has decreased instead of increasing and even the ultimate financial success of our important routes of communication is anticipated. Indeed, the public has not failed to appreciate the improvements in our railway service, and in all possible manner has it generously given its support. Everybody now wishes to travel on the state owned railways, and all are desirous of confiding to their care the transportation of their merchandise.

There, however, exists another problem to which the government will devote their earnest attention and that is the problem of the St. Lawrence waterway. I do not wish to discuss anew a question which has already been debated at length. On the other hand, I should feel remiss to my duty if I remained silent on so important a question. Indeed, one must not lose sight of the civilizing influence the St. Lawrence exerted in our history. Explorers, missionaries and pioneers followed that great inland artery. The whole of our national history is linked, so to speak, to this wide fluvial route, unsurpassed throughout the world. For this reason must we congratulate the government in not acting too hastily, when it is a question of safe guarding, on that route, our most sacred interests. In appointing a commission composed of Canadian engineers, the government will have the backing of all those who have had knowledge of certain subsidised propaganda foreign to Canada, a mischievous propaganda, on behalf of an undertaking which not only would entail an enormous capital expenditure and maintenance charges, but which might

also bring on dangerous international complications. Why, indeed, should we expose ourselves to see the control of the St. Lawrence river pass into foreign hands. The whole question is of the utmost importance. It therefore, seems to me that we should include in the above mentioned commission, a number of competent engineers, clear minded business men, and especially some representatives of the large shipping companies interested in the real progress of our river navigation and the financial success of the magnificent port of Montreal. In their eagerness to seize their prey, the promoters of this canal scheme have unskilfully hidden their secret intentions, by dangling before the eyes of the western farmer, the spectacle of an Aquitania majestically sailing over lake Superior to fetch and carry its cargo of wheat destined for Liverpool. Indeed, everybody knows now that it would be the water powers which would be developed along the water course between Kingston and Montreal, which is the sole aim of a propaganda so ingeniously contrived. The government will know how to deal with such rapacity.

Before, however, starting negotiations for a treaty relating to this proposed canal system, would it not be in the interest of the country to make a supplementary survey of the Georgian Bay canal scheme, would it not be better to encourage rather this truly national undertaking which, while contributing to the development of all the water powers required by eastern Ontario, would remain under Canada's control?

And since we are discussing water powers, let us hope that the Dominion government will look into that vital question: the proposed diversion of the waters of lake Michigan into the canal system of Chicago. If this diversion took place, it would become a real menace to the port of Montreal, and also to all the water powers already established between the Great Lakes and the gulf of St. Lawrence. These are all most serious problems.

But there are others which call for all the watchfulness of the Canadian government, and immigration is one of them.

So far as I am concerned, Sir, I shall heartily approve the government immigration policy, as long as that policy,—which I have no reason to doubt,—will continue to favour the coming of desirable immigrants. Already the benefit of a well-selected immigration has made itself felt through the whole country, and I am satisfied that no one needs to brood over the kind of immigration which is directed at present towards the Canadian west. We need immigration if we wish to develop efficiently our vast western territories which, within a few years, will become the most favoured region for European immigrants.

However, if on the one hand, we are to welcome a healthy foreign immigration, on the other hand the government must help us to stem the continuous exodus of our youth, and especially that of our French Canadian youths towards the neighbouring republic. The depopulation of our rural districts has, indeed, become a national scourge against which we cannot too strongly react. That is to say, the present government must take the necessary measures to retain those of our people who, attracted by vain illusions, might have had the momentary weakness of forsaking the sacred soil of their ancestors.

Before resuming my seat, let me here state very clearly, Sir, that if this task does appear difficult it certainly is not beyond the scope of the government's means of action. The people have full confidence in the ability, integrity and patriotism of those who are at present in charge of their destinies, and it is not without reason that the Canadian people feel themselves perfectly secure. Guided by a valiant and wise leader, an economist, coupled with a statesman and, who is besides advised by able and devoted lieutenants, the Canadian government cannot fail to rise to the height of the lofty purposes it has in view. Moreover, inspired by the wise and grand traditions bequeathed to it by the Great Deceased, the Liberal party will pursue its upward trend towards the accomplishment of its ideals, and it will as well guide this Canada of ours towards its immortal destinies.

I have the honour to second the motion of the hon. member for Cape Breton North and Victoria (Mr. Kelly).

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, it is my duty and my privilege to be first to congratulate the mover (Mr. Kelly) and the seconder (Mr. Lapierre) of the Address this afternoon on the acceptable way in which they have performed a none-too-easy task. All of us recall how trying is the ordeal when a new member first addresses this House. Sometimes the ordeal does not become very much mitigated with custom, but nevertheless the first is the most trying, and the success of the hon. members I acknowledge freely and compliment them thereupon. Possibly in respect particularly of the hon. member for

Cape Breton North and Victoria (Mr. Kelly), if I caught aright a portion of his address, I should congratulate the government too. I observe that he is filled with ardor and enthusiasm over the many evidences of prosperity abroad in our land, and equally does he compliment the country on the excellence of the administration which now presides over it. I am sure partisan adulation could scarcely reach a more exquisite perfection.

I welcome other hon. members to this House who for the first time are among us; and may I extend my congratulations this afternoon to the hon. member who has lately become Minister of Marine and Fisheries (Mr. Cardin) and as well to the Solicitor General (Mr. McMurray) on having attained cabinet rank. Cabinet rank is, of course, the legitimate ambition of all who look to progress so far as their personal positions are concerned in this House of Commons, and its attainment is a matter that calls for the congratulations of us all. Nor do I think that the Minister of Marine and Fisheries and the Solicitor General are to any great degree responsible for those conditions and that state of government which makes the grounds for congratulation so limited at this time. Those are circumstances into which they come and of responsibility for which they from this time on will have to assume their share.

I noted of course, in the Speech from the Throne and still more after listening to the hon. member for Cape Breton North, that the government is extremely anxious to convince the House and the country that Canada is in a state of very satisfactory prosperity. The first sentence is a verdict and I am sure it has been read with curiosity and amazement by many scores of thousands of people in this country. The government in coming to the conclusion, had I think, chiefly its own interests in mind. I do not just know what these evidences are; much less do I know what the government has contributed to such evidences as may exist. I have noticed in official pronouncements, that great credit is taken for the comparatively large figures of our import and export trade. This is constantly pointed to as in itself sound and conclusive evidence of a wholesome and healthy national life, I want to examine for a moment—because this is of maximum importance—these trade returns with a view to inquiring whether or not they disclose such a proper choice of policies as tend to develop our country and increase our population and our wealth. I want to dissect some features of them in order that we may know just what their significance is, just what they do reveal and what lesson they teach as to the proper policies for our country.

It is true that for the fiscal year last past our import and export figures are greater than two years ago, greater than one year ago—and I propose in the comparisons I make not to go back beyond the three years. For, be it remembered, in the years that preceded, the total trade of our country in almost every line, exceeded the figures of the past three years in such vast proportions that comparison now is impossible. But, after the larger returns which were in the main the outgrowth of war conditions and which followed for a time after the war closed, the inevitable reaction came, here as in every other country. In 1921 that reaction was at its worst—at its worst up till then in the Dominion, in the United States, and in other countries as well. From that date on, we had a right to expect an improvement. Countries similarly situated to our own expected it, and countries similarly situated to our own realized that expectation. We have to look only to that one great nation which most closely in all geographical and commercial respects resembles our own, with which comparison can always most fairly be made: we have only to look to the republic to the south to ascertain how great has been the realization of their dreams of revival. The progress of the United States since 1921 has been phenomenal. Their country has increased in wealth: their trade has multiplied, their internal trade far more rapidly than their export trade; their financial condition has vastly improved. Instead of struggling the world over to induce people to come among them they are actually spending millions to keep people out. In this Dominion of Canada our returns show no such favourable condition. While we have exports now of about $1,014,000,000, as against $802,000,000, in the calendar year 1921 and $884,000,000 for the calendar year 1922, and while our imports show an almost equal advance, the nature of these exports and the results on the country, and the nature of these imports and their results on the country are such to give serious ground for reflection.

We are all aware, of course, that the year 1922 witnessed in this Dominion a grain crop production the greatest in all our history. The Speech from the Throne, of last year stated a just conclusion, that never had Canada been blessed with so bountiful a harvest as in the year 1922. What we saw in 1922 has been surpassed in the year just ended. The

crop production vouchsafed by Providence is by all odds and from all aspects the greatest in volume in the whole history of our Dominion. Indeed, when I state that our grain exports alone for the year through which we have just passed exceed by almost one hundred millions of bushels the exports of 1921, hon. members will see that in so far as the bounty of Providence is concerned, Canada has had the basic conditions upon which a rapid advance should have been made. Our grain exports have multiplied in volume, accounting very largely for the increase in exports shown in the trade returns. Let not any hon. member misunderstand me when I make this criticism: I am as glad as any hon. member of this House that our grain exports have so increased. This is a yearly crop, and the greater the crops the better for us all, provided, of course, that they are produced and sold under conditions that make for the prosperity of those who give the toil and take the risk;—I will refer later on to what those conditions are and will try to ascertain just how far this greater production is reflected in prosperity, how far it is one of those evidences of which a government should boast.

But I find that the great increase in our exports is not even in agricultural products, but that it is to be found in what is known as "wood and the products of wood," largely wood, pulp and paper, raw unmanufactured wood, and wood manufactures. In these days have gone up from $186,000,000 in 1921 to $267,553,000 in 1923, an increase in that time of a very large percentage, and of some $80,000,000 in total product.

These wood products exported are very largely exported in the raw, in fact, there has been an increase in raw wood products exported far greater than in manufactured wood products, an increase so great as almost to startle one who examines the trade returns. I will give them later in my address. But in all respects, wood and the products of wood constitute by far the biggest advance in the trade exports of our country, and the least of all the factors in the advance in wood and the products of wood is the ultimate product, paper; while there has been an increase here, it has been the smallest of the whole, and the biggest increase has been in the raw lumber, the pulpwood and the timber, which is sent in vast quantities from our land. Indeed when one looks at the exports to the United States, he finds that over half, or to be exact, $226,000,000 odd out of $422,000,000 worth, consists of wood and the products of wood. Now, in this regard I wish to make a reflection. Wood constitutes one of the precious resources of this Dominion. Not only is the resource precious, but it is an irreplaceable resource; it is a fast diminishing resource, it is a resource depleting so rapidly that a few short years in the life of those now living is, at the present rate going to see the end. Wood and wood products we are selling, but when we are selling them we are selling our estate. We are in the position of a man who, competing with his neighbour, shows greater returns year by year by selling the neighbour some of his land. There is nothing to boast of, there is nothing to rejoice over, there is nothing to congratulate ourselves upon in this very rapid depletion of our wood resources. When the trees of Canada are gone, generations will pass before that resource can be restored. But what I want tc emphasize most is this: The object of the government should be to see to it that such regulations are applied, such policy adopted as brings within our own Dominion the maximum result for the depletion of these our irreplaceable natural resources.

An examination of the returns at the page I have in front of me shows, as well, that we are selling to the United States some $49,000,000 of agricultural products, and that during the same year we have purchased from the United States $78,814,000 odd of agricultural products; or that we a small nation are buying from a country of 110,000,000 of population about $1.60 worth for every $1 worth that that 110,000,000 are buying from us. This is the result of course of American tariff policy. It is a contingency that we must always anticipate, a contingency from which we may be freed for some short period of time, but which is bound to recur, just as certainly as the United States is bound to live. This is the condition under which we exist to-day. It is not a healthy condition. Under a consistently pursued tariff policy suited to this Dominion this would not continue. But this government in face of an American policy which shuts the door of the United States in the face of the farmer of Canada holds the door open to American produce coming into this Dominion to compete against the products of the Canadian farm. The Americans control their policy; we control ours, but I do not see any indication in the Speech from the Throne that any Canadian policy is about to be adopted which is going to give the farmers of this country the advantage they deserve and ought to have in the market which they helped to build.

There is as well a largely increased export of minerals from our Dominion, and minerals in the raw constitute a large portion of that export. It is a matter for congratulation to Canada that our mineral development is proceeding. I am waiting to hear—and I have no doubt we shall hear—hon. members of the government of the Dominion claiming credit for the mineral development of northern Ontario and northern Quebec. Perhaps they will venture to indicate by what means they are responsible. There is mineral development there. It accounts for considerable of the increase in our exports. But let us remember our duty is to see that these resources vouchsafed to us are to the utmost finished within the land that is our own, and to a minimum sent out of the country in such state that other nations and other peoples may get the advantage from them. These trade returns all indicate that this is not being done, they indicate that we are engaged to too great extent in the process of shipping raw resources in millions from our country to feed the workshops of other lands.

Looking for a moment at our imports, one cannot help but observe that we are buying from the United States very little in the way of raw resources—at least of raw resources that we do not possess ourselves. What we are buying from that country consists mainly of manufactured products—manufactured products which to the extent of seventy or eighty per cent constitute goods that can be made out of the resources of our own Dominion, or out of resources of our Dominion supplemented in part by imports which we easily can obtain. The United States have so developed their country and so directed their trade policy that they find themselves now shipping manufactured goods into Canada, goods produced by their own workmen, produced from their own farms and mines and developed in their factories, and they are buying from us the raw resources; a happy condition indeed for a country to be in.

From Great Britain we find our imports growing rapidly, and multiplying largely in the way of fibres and textiles. I hope hon. members opposite take some satisfaction from the trade returns in this regard. The multiplication of our imports of fibres and textiles since this government came into operation is something that challenges the attention of every Canadian who loves his own country first. Some forty million dollars' worth of woollens and woollen yarns came in last year, of which over eighty per cent could have been made in this Dominion with the machinery, and the plants already in existence here and by the workmen already trained in their manufacture.

Looking at our trade returns again, I notice that we still expand our binder twine importations, some 53,900,000 pounds, last year. We expand as well our importations of bituminous coal. This is what I call particularly to the attention of the hon. member for Pictou, the Minister of Militia and Defence.

Mr. MACDONALD (Pictou): National Defence.

Mr. MEIGHEN: The Minister of National Defence. Here is something, perhaps, for more national defence. It will be recalled that in order to excite the hopes and enthusiasm of his compatriots in Nova Scotia in the election of 1921 the hon. gentleman solemnly bound himself to move in this House a resolution for the increase of the duties on this bituminous coal, and he deplored the fact that this Dominion, and particularly Ontario and Quebec, were practically living off Nova Scotia, poor old Nova Scotia, and were not compelled to pay enough for the privilege of importing American coal—and the House is still waiting for the resolution. I heard the hon. member for Cape Breton North (Mr. Kelly) say that the coal industry in his province of Nova Scotia was in a state of chaos. Hon. members will be surprised at this statement. Does not the hon. member recall that to secure his election to this House his confrere from Nova Scotia, the Minister of National Defence, went upon his platform and told the people of his county that the coal industry was in the best condition it had been in for years, due to the fostering care of the government of which he was a member? I happen to have brought his speech with me, for another purpose, but I may just as well use it for this purpose.

Mr. MACDONALD: Do not take the report that appeared in the newspapers.

Mr. MEIGHEN: I am reading a stenographic report, and I would be just as happy if the hon. minister contradicted it as if he affirmed it.

Mr. MACDONALD (Pictou): I will deal with the promises of my hon. friend in Cape Breton North election before the debate is closed.

Mr. MEIGHEN: My hon. friend does not seem anxious to hear his own speech. The stenographic report says:

> This business of buying coal from the United States has been stopped. The St. Lawrence markets have been restored. So far as our coal and steel industries are concerned, the year 1923 will have been one of the greatest years in this country.

I find that notwithstanding the embargo the amount of bituminous coal imported into this country last year was $49,899,099, as against the year before $37,387,285.—I am sure the people of Nova Scotia will hope that this class of embargo will not be continued too long—and as against the year before of $48,631,095, when the hon. member promised he would move a resolution in order to make it more difficult to import bituminous coal.

As regards cottons, importations have increased in two years from $46,877,000 to $70,399,000 last year. This, I find, is of considerable interest to many in our country. I find it is of considerable interest to many who, under conditions of to-day, are compelled to close their plants, and many, who, under conditions of to-day, are compelled to sell their homes and to seek in the United States labour denied them here.

Let me refer to a few further features. Our imports of farm implements—and this may have a special interest this session—rose from $7,732,000 the year before—the last year, indeed, before the effect of the hon. gentlemen's legislation came fully into view—to $11,893,646, or an increase in one year of about 55 per cent. If indications in the Speech from the Throne are correct, this, forsooth, is to be cured by making the importation of farm implements easier still.

Other features are interesting. Imports of rolling mill products, which amounted to $28,600,000 in 1921, increased to $50,800,000 in 1923. It will be interesting to have a calculation of how many artisans of Canada have been exiled from our country because of those importations.

As regards farm products, however, it is true that our grain crop has vastly increased, that our grain production has been gratifying in the extreme. I am quite aware that this condition is not universal, because there are sections of the West particularly in Manitoba which have suffered. Nevertheless, if we take Canada as a whole, a tremendous increase in our grain production has been vouchsafed by Providence. But for those products of the farm that are in the nature of manufactures themselves, largely manufactured on the farm, instead of an increase, there is a constant diminution. For example—and this I call to the attention of the Minister of Agriculture (Mr. Motherwell); I did not observe any mention of it in any of those speeches he made during his three or four months sojourn in western Canada this year—our butter exportations went down in one year from $8,015,000 to $4,900,000 last year. Our cheese exportations have gone down from $27,086,000 in 1921 to $23,600,000 this year, and cheese is one of the largest of the farm products of our country. Our egg exportations have declined from $5,444,000 to $2,900,000. These are some of the products of the farm that mainly count. These are the products of the farm the trend and current of which reveal whether or not a proper policy is being pursued: One does not judge the efficiency of government policy by the quality of the weather, by the warmth of the sun, by prevalence or absence of rust, by the visitations of hail; one judges the effects of a government policy by its reflection in trade returns which witness and give proof of the multiplying occupations of the people in their own country. However you put this government to the test, especially in those fields which it has invaded, where it has tried its prentice hand at legislation, in every case you find results that are disastrous or approaching disaster.

I referred a moment ago to the increased exportations of grain, and I stated that almost 100,000,000 bushels—or to be exact, 96,000,000 bushels—more had been grown for export last year than in the year 1921. At the same time, I find—and I do not attribute this, except in part, to the government itself, because now I am referring to those so-called evidences of prosperity as disclosed in trade returns—I find that wheat in 1923 sold at $1.06 a bushel at the shore. This was the average obtained by the Canadian exporter over the year 1923. The average obtained by the Canadian exporter in 1921 was $1.46 for every bushel. This shows a drop to the exporter from $1.46 to $1.06, or approximately 25 per cent. But this does not tell the whole story. While the price of farm products has been falling, the cost of transport, inclusive of lake transport and the cost of handling, instead of falling has actually increased and to-day the result is this, that the farmer is securing himself much less than the 25 per cent reduction would account for. It is undoubtedly true that for the whole product of the West for 1923 as compared with the product of the West for 1921, the farmer actually obtained only about 70 per cent of the amount that he obtained per bushel in 1921. And, be it remembered, the year 1921 was the year when hon. gentlemen went abroad through the land with flaming swords telling the farmers how they were oppressed by an autocratic government; how the middleman was bleeding them; how they were not getting for their grain the price they deserved; and how, at the same time, because of government policy, they were being charged excessive prices for the goods which they purchased.

A few more figures, however, are of interest. I have in my hand the export figures again, and I find that our exports of meats have diminished from $33,000,000 to $23,000,000 in two years; that, for example, our exports of bacon have gone down from $25,000,000 to $18,000,000; that our exports of beef have gone down from $323,000 to $226,000. At the same time, our exports of the products of the mine, in the raw state and manufactured, have gone up from $59,000,000 to $123,000,000 in two years. These are the things that actually disclose the meaning of our trade returns, and I want to ask: Are those exports being reflected, as they ought to be reflected, in the betterment of the Canadian home? Are they especially being reflected in the betterment of those classes of our population who, for years, have been in our land engaged in the historic occupations of this country?

I promised to give the figures in regard to exportations of wood and wood products, unmanufactured. Two years ago the figures were $74,136,000, and this year the figures are $123,694,000. This outside of grain is the big item of the whole export schedule.

There are one or two other figures which I shall give, and then pass on to some observations upon them. I refer particularly to woollen importations: Woollen importations have gone up to $39,389,000, an increase of some $4,000,000 in the last year alone; that refers only to a portion of the importations. When we include woollen yarns the figures are much greater still.

Now I desire to make some observations on the legislative efforts of this administration to stem the tide that has been proceeding. This government, of course, came into power committed to a tariff policy which had been resisted by the previous administration, which, by all members of that administration and by the party which it represented in this Dominion, had been described as a policy bound to result in disaster to our country if implemented in actual legislation. By that tariff policy the present government bound themselves; they undertook not merely to revise the tariff downwards but to sweep away entirely all customs duties on large classes of importations—on importations of implements of production, of food products, of lumber, of cement and of fertilizers, in short, comprehending a whole long list of classes of articles. In addition to this the government pledged themselves to a substantial reduction on many other fundamental lines comprising on the whole the vast majority of all the importations of this Dominion. Immediately they got into power they proceeded to cast aside that programme. Instead, they began to describe it by indefinite names; they called it something which was all right in 1919 but, as the hon. Minister of Marine (Mr. Cardin) says wholly inapplicable in the present day and generation; they described it, in the words of the Prime Minister (Mr. Mackenzie King), as a chart and compass to be looked at but not to be followed; they described it, in the words of the Minister of Finance (Mr. Fielding), as something which he never believed in at all and did not believe in to-day, and never intended to put into effect. In that policy not one hon. gentleman on the government benches had any more belief than we have on this side of the House. But in order to entice to their side while in parliament, hon. members to my left, they proceeded to give little concessions here and there, hoping that the results might not be too baneful commercially and would be profitable politically. They went upon the principle that

> Round white stones will serve, they say,
> As well as eggs to make hens lay.

And so they touched the tariff on farm implements; they touched the tariff on textiles; they touched the tariff particularly on woollens; and they touched the tariff on British boots and shoes but not on the American product. Now let us examine the effect of the government's intrusions in tariff policy. I speak first of farm implements. I wonder what has been the progress of the disease since the government applied its cure. Farm implements were too high; that was the great complaint. Throughout western Canada they complained that the farmer was being mulcted by the big manufacturers; the then "autocratic" government had so legislated, they said, that he had to pay too much for his implements of production. Such was the disease. Let us examine its progress so far. There has been a reduction of 2½ per cent duty on farm implements. How much has there been in the price? Eevery hon. gentleman to my left and every hon. gentleman elsewhere in this House who has purchased farm implements during the latter part of last year found himself paying not less but more; something in the neighbourhood of 20 per cent to-day represents the increase in farm implements over what they cost when hon. gentlemen opposite came into power. I do not attribute the increased cost to the reduction of the tariff; I do not think the tariff had the slightest effect at all on the price; nor do I believe that whatever they do now it will have any real effect, taking one year with another. It will merely remove the

manufacture from one country to another; it will merely dispose of it to the United States instead of holding it in Canada; and in a very short time the farmers' last state will be found to be worse than the first. What I emphasize to hon. gentlemen opposite is the fact that they are not making very much progress in the cure; they are not affording very much relief to the farmer who is getting less for his grain and paying more for his implements.

Coming to boots and shoes, what has been the result? The hon. member for Quebec East (Mr. Lapointe) will hope it has not been much; and I venture to suggest to hon. gentlement to my left that if they want this session to test this government's fidelity to its platform they might just make a drive on the duty on boots and shoes. The Minister of Justice (Sir Lomer Gouin) has gone; he no longer reigns in that powerful seat. The hon. member for Quebec East has taken his place. He went through the West denouncing protection. I repeat, if hon. gentlemen want to test just how far the Minister of Justice believes in their policy, let them centre their attack, let them face their barrage against the duty on boots and shoes. When you touch only the class that comes from Britain you do not affect things so much; but in the condition of the boot and shoe industry to-day the Minister of Justice will take very good care that the profane hands of hon. gentlemen to my left will not be applied to that schedule, a schedule which powerfully conconcerns his county.

They got into the woollen field; they lowered the duty on British woollens, the reduction being 2½ per cent in some cases and in other minor cases 5 per cent. With what result? It has multiplied the introduction of British goods and brought about the displacement of the Canadian product, with the consequence that since the first of 1923, of our 124 woollen factories in Canada 20 have closed altogether; and as regards the 124, of all their machinery, cards, looms and all the rest 40 per cent are idle at the present time and the artisans have passed to the United States. The government have thus relieved the unemployment problem to the satisfaction of the Minister of Labour (Mr Murdock). And the process still goes on. All these "evidences of prosperity" I hold now to the view of hon. gentlemen to my left. But the "evidences of prosperity"do not stop here. What is the real test of the attractiveness of a country? Is it not the success with which that country maintains the basic population of which it is composed? Is not the first object of government, after defence—for defence, of course, comes first, and all of us in the generosity of our hearts will congratulate this government upon its noble efforts at defence—after defence, surely, is not the first object of every administration, is not the very reason for a government's existence, so to pursue public policy as to hold within the country the people who inhabit it? The country belongs first to its parent stocks. These parent stocks are here, and a government that fails to hold that class of population labours in vain in searching the cities and back lanes of Europe to get people to take their place. Unless we can first set ourselves right and pursue a course which makes it worth while for the people of the Dominion to stay at home, that makes it worth while for our parent French-Canadian people and our parent English-Canadian people, to stay at home, what futility is the effort to get other people to come in, themselves to become mere transients, passing through the sieve of Canada into the great reservoir to the south!

Now, what has been going on? I read with some amusement a speech made the other day by the hon. Minister of Labour (Mr. Murdock) in which he tried to persuade an audience in Montreal that, after all, we were not losing very many of our people. I went to the trouble of getting figures on the subject, and I know of no reason why they should not be given to this House. I have the official figures from the American government, giving the exodus from Canada of those who declare themselves as intending to reside in the United States. These figures do not include those who go over there, I am sorry to say in large numbers, and do not so declare themselves, but who nevertheless remain within the folds of the republic. In the year 1921 the figures run, per month, 5,611; 4,308; 4,500; 6,009; 5,680; 4,644; 2,919; 3,763;—to be brief, an average for the year of 4,410 per month. This was the year proclaimed by hon. gentlemen opposite as a year of great distress, this was the year during which they expended so much pity upon the people of Canada for having to live under the sway of the government of that time. For 1922 I will give the figures too, because I recall that the Prime Minister argued two years ago that the effect of our policy would not pass away for a few months, but that after it had passed away the sun of prosperity would shine. I am going to show just how fast the clouds have receded and the sun has risen since he came into office. In 1922,

particularly until the budget came down, and the government's new taxes came down, the time the government's brand new modified tariff policy was produced, the figures ran just the same as the year before: 3,015; 2,780; 3,323;—coming to April 5,309, and then 5,253. The end of the year though witnessed a figure of seven thousand for the first time in many a long day. The average for the year 1922 was 5,198 per month. Hon. gentlemen will see that the clouds were not passing away; on the contrary, towards the end of the year they were thickening and bringing little comfort to my friends opposite. In 1923 for the first three months the figures were 7,863; 7,312; 8,896. About then came the second budget, and I ask that these figures be considered by themselves. Commencing with April 1923 they run 16,317; 18,658; 18,879; 16,310;16,685; 16,874; 15,858; 20,988; 17,552, or an average from April on of 17,595 per month. This is the fine fruit and flower of the policy of hon. gentlemen opposite, this is the bright illuminating sun that dawned as soon as they got their stride and a chance to implement their glorious policies!

Nor did these figures tell the whole tale. Everybody knows—none know it better than the members of the government themselves—that the actual number of those who have gone from our Maritime provinces, from our central provinces and from our West as well, even in the face of a multiplied farm production, is far vaster than those figures reveal. This is the state of affairs we are labouring under now, this is the crowning evidence of that prosperity proclaimed in the Speech from the Throne and in the address of the hon. member for Cape Breton North and Victoria (Mr. Kelly).

Did hon. gentlemen make any other effort last year to bring about better conditions? If so, what has been their success? I often wonder if this session is to witness a repetition of the grotesque futility of the sessions that have gone. We have had some legislation from this administration. I do not see much reference to it in this remarkable Speech from the Throne. For example, we had Wheat Board legislation from this government in an attempt to relieve conditions in the West. They were going to answer the demand of western Canada as it ought to be answered, and they put on Wheat Board legislation which was to help the western farmer to get his crop to the market at the lowest expense and secure him the biggest return. So they passed the Wheat Board bill for one year, with power to renew it for another year. There it stayed for a year, and then they passed an order in council to renew it for another year. They empowered themselves to appoint a board to take care of the wheat of the western farmer. Well, I do not need to say this board was never appointed. The legislation remained there, but nothing further was ever done, and now I do not see any promise that it is going to be renewed.

Do hon. gentlemen to my left realize the horror of this situation? With what shrieks of despair the clouds would be pierced in western Canada if the farmers there understood that that precious jewel of legislation, the Wheat Board Act, was going to pass into outer darkness! How frightful the prospect! No more Wheat Board legislation from the government of Hon. Mackenzie King. The farmers have to handle the thing themselves, and do the best they can, abandoned by the administration that promised them so much. If ever there was a gold brick palmed off on innocent electors, it was the Wheat Board legislation of this government.

Then they tried their hand again. They passed last session what I think is called an Inland Freight Rates Regulation Bill, by which they were going to control freight rates on the Great Lakes. I wonder how many hon. gentlemen have read the tragic history of that legislation. Of course, it was preceded by a commission—such has been the orthodox plan ever since this anti-commission government came into power—and with the customary flourish of trumpets the bill became law. This bill compelled all those transgressors, those iniquitous vessel-owners, who they said had been extorting money unduly from the western farmer, those men who in 1922 took millions in addition to all that had been paid for freight carriage on the lakes in 1921; those who had absorbed the Crowsnest pass reduction and put it in their pockets, the bill compelled all those transgressors to file their tariffs with the Grain Commission before they could charge anything. The Grain Commission was to have power to reduce them to such a level as they thought to be just to the man who raised the grain. Well, the early consequences all of us recall. The American boats, not being under the jurisdiction of Canadian law, simply refused to comply. They fled the field; they confined themselves to American traffic. The business was thus given to the Canadian boats, and they had a monopoly. The whole traffic they had and a monopoly they enjoyed; and the Minister of Labour, with that Combines Investigation bill, sat silently in his

seat. They gathered in millions in 1922 and millions more in 1923, and then alarm reached even the heart of the government and the Minister of Trade and Commerce. He hurried to the United States, fell at the feet of the American vessel owners, begged them to come back and rescue Canada from the plight into which she had fallen under the blow of their own legislation, begged them to come back and defy the law of this country, a law which this parliament had passed at this government's request. The Americans exacted their terms. They said, "Before we go back we must be indemnified against all breach of the Canadian law. You may say that we may hold the law in contempt, but there are other people in Canada besides you, and we want to be protected so as to be sure that we shall not be prosecuted by citizens of the Dominion, even though the government does cast its own law into the waste paper basket." And the plan evolved was this, that the grain shippers would bind themselves in their charters to indemnify the American vessel owner against breach of the law of Canada. And the Grain Commission, on the instructions of this government, said in effect to the American vessel owners. "You do not need to obey that law. Although, the law compels you to file a schedule, to file your charter, to file your tariff of rates,—you do not need to comply. It will be all right if the shipper instead just files his charter with a statement of the space consumed." And then the shipper entered into a contract to indemnify the American vessel owner for acceding to the appeal of the Canadian government to violate Canadian laws. The grain shippers, in their turn, evidently looked again to this administration. "What security are we to have," they said, "if we enter into this indemnity bond, this charter obligation with the United States vessel owner?." And the government came to the rescue once more. The government commission got behind these shippers and promised to stay behind them and justified them in this complicity in a breach of the law that this government had passed. Such is the ludicrous perambulation by which this government busied itself through the summer in nullifying the baneful effect of its legislation of the winter.

Now, we come to some other efforts of the administration. We had a Combines Investigation bill last session. The nation was suffering from a glut of monopolies. Malefactors were abroad in the land. Had not the Minister of Labour himself recognized them when he was a member of the Board of Commerce? He had seen them; he had chased them; he had tried to bring them to book, but he could not do so; he had only a wooden gun. Particularly he saw in front of him that awful Dominion Textile Company, and his heart burned with rage and with a passion to get after the monster. He saw as well the British Empire Steel Corporation; and in order to picture it in black colours, he declared and falsely declared, that it was the incorporation of the late government when he knew it was the incorporation of a Liberal government in Nova Scotia. All these malefactors he wanted the power to reach and to make do justice to the Canadian people, especially to those "masses" for whom his heart was bleeding. Those "masses" had to be taken care of against the excess and extortion of great monopolies eating at their vitals. So the Combines Investigation Act was passed—an act, by the way which did not provide power to prosecute anybody; an act which provided power to investigate, and after one circle of investigation was completed, to go around the circle again. After this exercise they could apply to the minister to go around the investigating circle once more, and after they got round it to their full satisfaction they landed just where they had begun. This, in summary, was the result of the legislation. The Minister of Labour was, appropriately enough, put in charge. He was placed on the seat, given the lines and the whip; and he was told—now you have a gun. How many hon. gentlemen have heard of any prosecution under that law? How many have heard of any investigation? I have not heard of any. If there have been any I would like the details to be presented for the delectation of parliament. All that I have heard was a pronouncement from the Minister of Labour after three or four months of operation in which he declared to a delighted nation that he had searched the country from coast to coast and could find not one combine or malefactor. Like Bolingbroke in the absence of Richard II, they had revelled in the night whilst he was wandering in the antipodes but as soon as the sun of royalty rose they stood bare and naked trembling at their sin So fled the combines and malefactors before the majesty of the sword in the hands of the Minister of Labour—this is really what the people of Canada are asked to believe.

I do not know that these escapades comprise all the efforts of the government, but they are the main ones. If there are any others for which the administration would like to take credit, I would be glad of a suggestion. What single effort of this administration has resulted

in the smallest advantage to the people of Canada?

An hon. MEMBER: The Halibut treaty.

Mr. MEIGHEN: Somebody suggests the Halibut treaty. There is no Halibut treaty. There would have been, I presume, only for the pride of the then Minister of Marine (Mr. Lapointe), who wanted to see his signature all alone with no British ambassador's name beside it to detract from its glory. But I am told—just to diverge—that there has been a tremendous diplomatic triumph. Forsooth, the British government has been persuaded to consent that after this, in such cases as that of the Halibut treaty, where the concern is mainly and wholly Canadian, the minister may sign alone again. The condition though is this, that if our government will first communicate with the British government and with all the other dominions and find that none of them have any interest in the subject, and if after that the British government consents to the treaty by recommending His Majesty the King to authorize signature, then the Canadian minister's signature can go on and stay on in solitary magnificence. This is the new pinnacle on the autonomy of Canada erected by the Prime Minister in the late conference.

Possibly I should refer to some other efforts, not wholly legislative, to remedy conditions. I am not so sure that the object here was so much to remedy conditions for the country as to remedy conditions for the government; but during the summer we had a repetition of those historic negotiations with hon. members to my left. The former leader of the Progressive party, the hon. member for Marquette (Mr. Crerar), was in the same manner as before hailed to Ottawa, this time accompanied by the Prime Minister of Saskatchewan. They were brought down amid very considerable publication of manifestoes and the beating of drums. What was going to take place no one knew. The public were warned, but they were held in suspense. Newspapers not in the service of but very loyal to the administration, under trying circumstances, proclaimed through their Ottawa correspondents that a marriage was contemplated—indeed, that the banns were soon to be published. After all it had been ascertained, said the correspondent of the Toronto Globe, that the demands of the western Progressives were really very small; they did not want nearly as much as was expected, and these two gentlemen were announced as being right on the threshold of the Liberal family mansion ready to take the last step into the bonds of political matrimony. But no sooner had this dispatch received publication than the whole thing ended. The clouds dispelled. All fears of hon. gentlemen from provinces to the east were proven to be groundless, for did not the hon. member for Marquette publish a statement that he and his colleague were not sent for to consider entering the government at all? Nothing in the way of such negotiation was ever even discussed.

Mr. MACKENZIE KING: Hear, hear.

Mr. MEIGHEN: Why certainly, and the Prime Minister says "Hear, hear." All they were sent for was to ascertain the views of western Canada, on the tariff and other subjects. Well, one would think that the Prime Minister would have known from hon. gentlemen to my left pretty much what the views of western Canada, as represented by them, are on the tariff, and on other subjects too. They have not been wholly silent in this House. But if he was not ready to take the spoken expressions of hon. gentlemen to my left, why did he not have some faith in his own ministers? Was not the Minister of Agriculture (Mr. Motherwell) in western Canada all summer? Indeed, did he not do the work of the Agriculture department out there—travelling to and fro among the people, occasionally delivering speeches, and drawing his salary at the end of the month? I think I have now pretty well completed the gambit of his work as Minister of Agriculture. There he spent the summer, and from the west he returned. The Minister of Marine and Fisheries of that day, the present Minister of Justice (Mr. Lapointe), was there as well. He travelled through the prairie provinces, and there he denounced, no doubt amid applause, the horrors of protection. There by his conduct he invited the Progressive party to come on with an onslaught against the duty on boots and shoes. He delivered himself of his very best in western Canada. He was a missionary to bring the Progressives once more to the side of the government. He too returned and laid his report at the feet of the Prime Minister. But this report and that of the Minister of Agriculture the Prime Minister contemptuously cast aside. Nor was he better satisfied with the words of the hon. the Minister of Trade and Commerce (Mr. Low), for he pursued the western journey too. He came back and announced to eastern Canada that the West was just revelling in prosperity. He could see nothing there but good times and hear nothing but good news. This report the Prime Minister declined to accept as well. And

then he had some others, I think. I am not sure but I think the Minister of Immigration (Mr. Robb) was out there. At all events, surely he had the new Solicitor General (Mr. McMurray). Did he not take him in in order to get the views of Manitoba? The Solicitor General fresh from the people had just entered the cabinet and was at his disposal, and as well the Minister of Customs (Mr. Bureau), and if all others failed surely the verdict of the Minister of Customs on western Canada woud have been accepted. But all of these ministers of his own who spent the summer travelling, whose private cars were to be seen dotting the stations of the western plains—all these ministers could not bring him a report that was any good.

Mr. BOYS: There was the Secretary of State (Mr. Copp) too.

Mr. MEIGHEN: I had forgotten him. The Secretary of State in order to illustrate the practice of joining the cabinet to see the world went out west as well.

Mr. COPP: When was I there?

Mr. MEIGHEN: He was in the West last year as far as Fort William, and the year before all through the West; so he got a bird's eye view one year, and a full view the other, and his opinion should have been of some value.

But I wonder what compliment the Prime Minister paid to the present leader of the Progressive party (Mr. Forke). Upon what principle of reasoning did the Prime Minister conclude that he could get western opinion or Progressive opinion better through the hon. member for Marquette than he could reliably get it through the leader of the Progressive party? The government, headed by the Prime Minister, sends 1,500 miles across the country and brings a private member out of the ranks of another party in order to find out what the views of the people are in order that he may legislate. This is the story we are told. Though the Prime Minister and the hon. member for Marquette may have very little confidence in the judgment of the Canadian people, I must frankly admit they seem to have infinite confidence in their credulity.

How often is this performance to be repeated? Does the hon. gentleman ever think of the effect of these performances upon the country? Last year, for example, we had a promise of stability. Two or three years before we had a promise of battering at the tariff till it was down, and hon. gentlemen to my left were thereby lured to the side, though not altogether within the ranks of the government party. But all these fine promises of 1919, 1920 and 1921 went by the board in 1923, when the Minister of Finance (Mr. Fielding) announced that the assault was over and that stability was now the order of the day. Where is stability in the light of the present Speech from the Throne? Stability goes just where tariff destruction went. How long it will be gone it is not for me to prophesy, but I venture to say that the period of the submersion of stability will be just about as brief as the period of the submersion of the other policies which this government has from time to time announced, and from time to time abandoned.

The government comes now and brings in a Speech from the Throne. It is lengthy; it is the longest that I can recall, but, I think, in so far as the submission of material for the consideration of parliament goes, it is the most attenuated and aenemic in the history of our parliament. I would like hon. gentlemen to be good enough just to carefully analyze this Speech from the Throne. In the first place, shining out of every line, it is an electioneering document. It does not partake of the characteristics traditional in a Speech from the Throne. A Speech from the Throne by custom may contain some general observations on the state of the country, on the state of inter-empire affairs, but primarily it is for the purpose of laying before parliament the government bills for the ensuing session, the government programme, what it is proposed to submit to honourable members of this House and of the Upper House, to the end that we may address our minds to these subjects and determine what stand we shall take upon them.

This is the great purpose of a Speech from the Throne. This Speech contains a few references to microscopic amendments. Something is going to be done to the Government Annuities Act. What it is we are left to conjecture. I do not know what good it does to give us these indefinite words. It does not help us in the least. Something is going to be done to the Industrial Disputes Investigation Act. What it is we do not know, but there is going to be an amendment. Then there is going to be an amendment to the Militia Act by which there is no longer going to be this power of requisition of troops in the way it exists now. This is the programme the government proposes, aside from the intimation in the early part of the Speech that a bold adventure is going to be made in the way of reduction of taxation. But in so far as the

Speech from the Throne commits them, this adventure is going to be confined to reducing the tariff on the implements of production.

We will all welcome reduction of taxes. Sometimes I have made a prediction as to what will happen in the course of a session. I will make one now. I will ask honourable gentlemen to carefully watch the scope of this tax reduction venture. I ask them just to measure the extent of the reduction and compare it with the extent of the increases, the additions this government has put on in previous years. One cannot help but observe that all of the additions of 1922, all the increases of 1923 were not heralded with any pronouncement in the Speech from the Throne, though I venture to say they were infinitely more important and momentous in their consequences to this country than any reduction we are going to get this session.

Intimation is given—at all events it is interpreted that way—that the proposal of the government is to take the duty off agricultural implements. This is the acceptation applied throughout the country, and the government by reason of its language is responsible for that acceptation. Since when has it been the practice in this Dominion to notify the country in advance of specific tariff reductions in the Speech from the Throne? Always in the life of Canada, yea and in every other country where parliamentary government prevails, the essential practice is that no intimation shall be given of any reduction or increase in the schedules of the tariff until the budget comes down. Why is there a departure from that practice this session? I do not need to ask honourable gentlemen to my left. Everyone of them knows. These are the "white round stones" which are expected to do the work. This is the bid that is made for the support of hon. gentlemen to my left, pending the production of the budget. What matters it to the government if business is disturbed? What matters it to them if there is a dislocation of trade? What matters it to them if capital is timid and the hand of investment is withheld? What matters it to them if artisans by the thousands apprehend the loss of their positions? These things do not matter if, forsooth, they can get enough votes from my hon. friends to my left to hold them in office till the budget comes down.

Then further on in the Speech from the Throne we find a lot of ruminations about what the opinion of the government is on this thing and on that, and the effort the government has made on one subject and the effort it is going to make on something else, what the trouble is here and there, and how much consideration the government is giving to it all. We find a prediction that this session there will be a balanced budget, and an implication through the mouth of His Excellency, that this must be the best government we have had for years because it is twelve years since such a thing has been done before. Never did self-puffery get to the stage of perfection that it has reached in this Speech from the Throne.

National unity not less than national prosperity—

Will hon. gentlemen be good enough to give attention to this reading, and try to divine what place it has in a Speech from the Throne, or what on earth it means in the way of a proposal to parliament.

> National unity not less than national prosperity depends upon the surmounting of those barriers which have tended to separate western from eastern Canada and to discourage permanent settlement upon the land. Foremost in this regard are the problems incidental to tariff readjustment and to the marketing of agricultural and other national products.

What better is parliament to be in receipt of that philosophy? What does this look to? What is the idea? Passing on, we find the following:

> The stabilization and control of freight rates on grain from the head of the Great Lakes to Canadian ocean ports and thence to Liverpool are receiving the closest attention.

We will all hope for a fruitful incubation. What control has this government over ocean rates? What is to be the nature of the operation? What do they propose in the way of legislation? In what direction are they looking? What specifically have they in mind? Or is this simply a sort of declaration of faith, in the hope that faith will be received even as works? In the same paragraph and therefore relating to this topic we find the following:

> It is hoped that the report of the Royal Grain Inquiry Commission authorized last session to inquire into the subject of the handling and marketing of grain will be available for presentation to parliament this session, and that legislation based upon its recommendations may be offered for your consideration.

Well, as there are no recommendations yet, what is the ground for "hoping" that legislation may be necessary? Certainly we hope the commission will be through. Our concern for the treasury is sufficient to ground that hope upon. If it does not have some recommendation, it will not be because it has not travelled far enough, or has not had a long enough retinue or that it has not cost the country enough; but I venture to say that its recommendations will bear the same relation

to the cost that the historic mouse has borne to the mountain.

The next thing the government has "in mind" is:

The further development of our magnificent inland water transportation.

But the extent that their minds have progressed along this line is merely to make further inquiries, and they deem that this is progress sufficient to announce in a Speech from the Throne.

A further interchange of correspondence has taken place between my government and the government of the United States with reference to the St. Lawrence waterway.

We might have taken that for granted. The government will continue the correspondence, and I fancy we shall be at the correspondence stage when the House meets again, if this government is in power.

The important subject of marine insurance as affecting our ports; the permanent equalization of the rate on Canadian flour—

What does that mean?

—and the removal of the discriminations in ocean rates on other Canadian products are receiving attention.

These are "receiving attention" too. The attention reservoir of the government is evidently very full. What is being done about it? **What is meant by "the equalisation of the rate on flour"? I asked one hon. member,** a member of long experience in parliament, and he said he thought it meant procuring the **same western rate as eastern rate. But this subject is under the Railway Commission. Does it mean the same rate on flour as on wheat? I do not know what it means. I venture to think the government does not know itself. But evidently those charmed** words "stabilization" and "equalization" are now taking the place of "co-ordination," as they are to be found in several paragraphs of the Speech from the Throne.

The amendments made to the Bank Act. . . their wisdom has already been abundantly apparent.

The House will await with very considerable curiosity to know just what the fruit of this legislation so far has been. I have not observed any. I am not criticizing the amendments; what I am criticizing is the **struggle of the government to boast of achievement. As regards all these paragraphs** which I have read, may I ask what place **have disjointed ruminations of this sort in a Speech from the Throne? At best, they are only a collection of hopes, mixed in with** some zig-zag philosophy—the twilight musings **of hon. members of the government before** their last long sleep.

[Mr. Meighen.]

Then there is, as well an intimation of free farm implements, which intimation I venture to say will, in the next few months, do Canada more harm than the most ardent advocate of the change at least on the opposite side of the House, hopes will result of good from it in the next ten years. The harm is already taking place. How does this government expect that there is to be any progress, any extension of Canadian plants, any investment of capital of this Dominion, any widening of **the area of labour, any stability, confidence** and progress while this sword is, year after year, held over industry in this Dominion? Does the government not witness already the result of this constant threat which it has been holding out against industry ever since it attained the seats of power? Are the consequences not in evidence in the exodus returns from our border? Are the results not in evidence in our contracting plants? Are they not in evidence from the three or four thousand failures every year? I want to know who **is getting the advantage—and where any advantage can be shown.**

The consequence of all this is reflected, I think, in public opinion in some electoral manifestations that we have seen in the year 1923. We had a contest in Essex. It was won by the administration across the floor,—though I do not hear them venture any applause at its memory being brought back. No, the means of winning North Essex were in part revealed at the last session—I say, "in part", designedly. But a majority of 7,195 a year before was reduced to a majority of 1,072, or a fall of something over 6,100 in one year. Just two years ago last spring the present Prime Minister (Mr. Mackenzie King) was wont to read very important lessons from results like that. He thought a government in such a condition should dissolve parliament at once. Then came a by-election in Cape Breton. A majority of 3,339 a year and a half before was reduced to a majority of 632, less than one-fifth of what it was in the general election. And this majority was secured by the clever contrivance, I presume, chiefly of the Minister of National Defence (Mr. Macdonald) which brought in a Labour candidate. Or probably he consorted with others to bring a Labour condidate into the field. This Labour candidate took most of them from the Conservative candidate, some 1,600 votes.

Mr. MACDONALD (Pictou): My right hon. friend is making a statement that is wholly untrue.

Mr. MEIGHEN: That is the main credit I have seen given to the hon. member in

eastern Canada in late months. The facts speak for themselves.

Mr. MACDONALD (Pictou): I want to ask my right hon. friend to withdraw that statement. It is wholly and absolutely untrue in every way.

Mr. MEIGHEN: Which statement?

Mr. MACDONALD (Pictou): The statement that myself or myself in consort with anybody else, induced a Labour candidate to enter the field in North Cape Breton.

Mr. MEIGHEN: I venture to say the hand of the hon. gentleman was not far away.

Mr. MACDONALD (Pictou): I say that statement is absolutely untrue and I insist that my right hon. friend withdraw it.

Mr. MEIGHEN: Well, Mr. Speaker, I am content to let the evidence speak for itself and to accept the statement of the hon. member.

Mr. MACDONALD (Pictou): I invoke the rule of the House in regard to my right hon. friend.

Mr. SPEAKER: I understand that the right hon. member has accepted the denial of the hon. member.

Mr. BUREAU: Qualified acceptance! That is not the rule.

Mr. MEIGHEN: The hon. member, however, took some part in that campaign.

Mr. MACDONALD (Pictou): So did the right hon. member.

Mr. MEIGHEN: Yes, I did, and I am prepared to stand by every sentence I uttered. If the hon. gentleman ever succeeds in consort with his fellows in reducing a majority by some twenty-seven hundred, perhaps he will not be ashamed of taking part in a campaign.

Mr. MACDONALD (Pictou): My right hon. friend's part in the campaign reflected no honour nor glory on him, either in the utterances or the results.

Mr. MEIGHEN: It is fortunate for my hon. friend that he speaks after me. I would be glad if he spoke before me; I would make sure that he did not misrepresent me. I will stand in this House by every word I uttered, by every appeal I made; and what is more, the hon. gentleman has disavowed assertions that he made, affirmed that he never made them, although they were taken down by a stenographic reporter.

Mr. MACDONALD (Pictou): And my right hon. friend comes to this House and makes statements which he knows are untrue.

Mr. MEIGHEN: My hon. friend is uneasy and I take his uneasiness as a tribute to his conscience. The people of Canada read the address which the hon. member made. He took care to arrive, just two or three nights before the election. In his address, in order to illustrate and in order to confirm for all time the oft-proclaimed fact that this government has divorced the National Railways from all political influence, and in no wise uses it as an agent for themselves, the hon. gentleman made himself the spokesman of the National Railways to announce a decrease of rates soon to take place.

He made himself, the spokesman of the president of the National Railways when he declared that shortly, upon the return of Sir Henry Thornton, the small differential which the railways had imposed upon goods going to Atlantic ports over those going to Partland would be wiped out by the new National Railways administration. And for that he took great credit to himself. How splendid an illustration of the divorcement of the National Railways from political influence! How proper that a minister of the Crown, two nights before a by election, should be the man to announce a reduction of rates on the National Railways. This is one of the assertions attributable to the hon. member. But there is another.

I had made the statement, in addresses which I had delivered, that in my judgment the government had acted precipitately and had not exhausted all other efforts before hurrying solidiers from the ends of Canada, even from as far as Winnipeg, to over-awe the strikers at Cape Breton; and I stated as well that if the presence of militia were necessary to preserve law and order I would advocate it, as I had always done every time the occasion had arisen in my experience. I declared, however, that I did not believe that on this occasion all other means had been exhausted; and I added by way of illustration that at the strike in Winnipeg, in 1919 a more threatening one, a more difficult situation to handle, the government of the day had got along without sending one soldier at all into the area, and that without importing soldiers the whole matter had been controlled. In order to refute that position, which I had

taken repeatedly, the hon. member read a telegram from his deputy minister stating that we had sent our soldiers—at least his words carried this intimation—not on requisition from the mayor or the civil authorities, but that we had sent them under power of order in council. And then he referred to an order in council passed on the 4th of April, 1918, passed with the support of his own finance minister of to-day, passed with the concurrence of the member for Halifax who on this night spoke with him on the same platform but who was in 1918, a member of the government,—an order in council to take care generally of riotous disturbances in the country; because this date in 1918 was many months before the close of the war. That order in council never was acted upon to the extent of sending in a single soldier in relation to the strike of 1919; and I repeat before the Minister of National Defence, who has everything under his own charge in his own office, that when he intimated to that audience that troops were sent from outside at the time referred to by the government or by anyone else, into that area, he intimated what was not true. Not a troop was sent there. The only troops that were used were citizen soldiers who enlisted and trained especially for the purpose of that particular crisis; and they were used only in demonstration, and at the request of the Mayor in order that all might see that the civil authorities, exercising civil instruments, would be supported if the need arose. By those means the whole situation was taken care of, and I venture to suggest to the House that it was done successfully, because the less display of force there is, the less transport of troops, so long as law and order are preserved the better always are the results. I say that matters were handled infinitely more successfully then than they were under hon. gentlemen opposite on this occasion. What I protest against is the assertion of a minister right on the eve of the contest, that there had been a misleading of the audience in a statement that was true absolutely to the letter, and the quoting from his deputy minister of a telegram which had no relation to what had actually taken place in the Winnipeg area. I had not purposed referring to this incident but for the hon. member's repeated interruptions of my remarks.

There was another by-election, this time in Halifax—

Mr. MACDONALD (Pictou): There was one in Pictou, too.

Mr. MEIGHEN: Yes, there was one in Pictou, I know; but the hon. member may recall, that the Prime Minister stated in 1921 that there was no significance to be attached to the re-election of newly appointed Ministers. I did not contradict the assertion, even though it was made in order to nullify the significance of a majority of some 4,000 which we had obtained at the time in St. John and a majority of some 1,800 which we obtained in Colchester. And, as a matter of fact, indeed, very little significance does attach to the appeal of ministers, just appointed, to their constituents for re-election. Hon. members in every part of the House will agree with that. But in all the other cases where did the government come out? In Halifax where did they come out? A majority of 5,000 turned into a minority of some 1,900; a total majority for both candidates of some 12,000 turned into a large minority. Against what? Against the promise of an elevator, against the promise of the Dartmouth pier, against railways sidings hurried up, against the most blazing attempts at constituency bribery ever recorded, save only in the history of Kent. We had a vote last session for an elevator in Halifax. It was stated on this side of the House that probably a by-election was in sight. We were not far astray; the by-election came. Plans and specifications in due time were got out, and the receipt of the tenders was timed for the month of November, the election being timed for 5th December. The month of November came and so did the tenders. The newspapers of the district were plastered with paid advertisements of hon. gentlemen opposite, plastered with promises of a new elevator, modern in every respect, to cost $1,200,000. Speakers representing the government called upon the electors to vote for the government candidate in order that the elevator might be secured. The senior member for Halifax—not the hon. gentleman just elected—himself put advertisements in the newspapers calling upon the electors to support the government candidate, and the appeal I have before me. One after another, the appeal was,—"We have voted $1,200,000 for the elevator; you are going to have the elevator"; and the government candidate declared that he had the authority of the Prime Minister for this assertion. The Minister of National Defence speaking on the platform with the Prime Minister, supported the candidate put forward by the government. Here are some of the reasons which were put forward why the electorate should vote for the government candidate:

1. The differential rate of 20 cents a ton had been abolished.

2. The increase of 10 per cent. in British preference.

3. The government provided $1,200,000 for an elevator, saying, "The contract for this immense structure will be issued immediately as the Prime Minister announced on Friday night."

Next:

The construction by the government of large cattle sheds at Richmond, which is to aid Halifax in becoming the winter cattle-shipping port and will benefit largely in labour and money as a result of Mr. Fielding's success in seeking the removal of the British embargo against Canadian cattle.

The victor in that great conquest changes I see with the location of the election.

The two million dollar shipping pier at Dartmouth which is to be undertaken at an early date.

The government construction of wharves, breakwaters and dredges, etc.

Why waste all those votes that we passed last session? Why not use them to get government support?

The establishment by the government of an experimental fishery station.

This fishery station to include a drying plant, curing plant, smoke house, and all the rest of it. That was announced a few nights before the election by the hon. Minister of National Defence.

Mr. MACDONALD (Pictou): I never made use of any such promises, and my right hon. friend is confusing me with somebody else.

Mr. MEIGHEN: No, I did not refer to the hon. minister as making use of all these. I said the senior member for Halifax and the government candidate. But I am sure the hon. Minister of National Defence referred to the fishing plant. I have his speech.

Mr. MACDONALD (Pictou): Does my right hon. friend say I should not have done so?

Mr. MEIGHEN: I told the House he did.

Mr. MACDONALD (Pictou): My right hon. friend is endeavouring to lead the House to believe that I was talking of cattle-sheds and half a dozen things of that kind. I never mentioned them.

Mr. MEIGHEN: No, the hon. gentleman is excited this afternoon.

Mr. MACDONALD (Pictou): Do not worry about my being excited.

Mr. MEIGHEN: He is not the senior member for Halifax. I do not think he could be.

Mr. MACDONALD (Pictou): No, you used my name.

Mr. MEIGHEN: "Why shouldn't we do these things?" says the Minister of National Defence.

Mr. MACDONALD (Pictou): My right hon. friend, Mr. Speaker, is misrepresenting me. I said, "Why should I not speak of the biological station?"

Mr. MEIGHEN: Oh, I see. I beg my hon. friend's pardon. I must draw a distinction. "Why shouldn't we tell the people they are going to have a fishery plant, a chemical plant, a drying plant, a curing plant, a smokehouse—why should we not do that? That is all right." But, oh, he would never defend promising them an elevator! That is different. He castigates me for intimating that he would defend the promise to Dartmouth of a pier, or the promise of this cattle shed at Richmond; those things are beneath him. The class of politics he represents is such that he could not possibly be guilty of that offence. But when it comes to a fishery station, a chemical plant, a smoke house, a curing plant, a drying plant—it is all right to promise these as the reward for the election of the government candidate.

Now, let us follow up the history of this elevator. The tenders were opened. Even the Minister of National Defence announced that fact himself, announced it on the night of the 30th November. "There have been eight tenders received," he said, "and the only reason you have not had any of these accepted and the contract made is that the Minister of Finance took ill after getting back from Halifax, otherwise he would have called council together and had it done; but just as soon as the Prime Minister returns—and he was then on his way—those eight tenders will be reviewed and the contract made for the elevator." Do hon. gentlemen need to be told there has been no contract made? Have not they heard the election returns? No contract has been made at all, but the government organ a few nights afterwards announced, that the tenders, it is true, had been received, but after all it was found that the plans for this elevator were really too old, that instead of being plans for an elevator such as the government literature had described, they were really plans that had been prepared away back at the time of the terminal contract in Halifax about ten years before. Here the government had gone and used those ten-year-old plans for the non-existent terminals in order to hurry on the receipt of tenders and deceive the people of Halifax. So they said, "We find now we do not need an elevator of that kind at all, and we are going to have new plans and speci-

fications drawn some time in the dim and distant future when perhaps another by-election comes to Halifax, or when perhaps a general election is in sight. Then this elevator will come on the political horizon once more."

I cannot review the conduct of this administration in Kent, N.B., with the thoroughness I should like. Suffice to say that all the records of Halifax were surpassed. The desperation of the government knew no bounds. Fishery plants? It would not have bothered the Minister of National Defence or any other minister a moment to promise a fishery plant if it would have turned the scales. I do not know but what the record of the Minister of Justice (Mr. Lapointe) was excelled by that of the Secretary of State (Mr. Copp). The Minister of Justice came in sackcloth and ashes to repent that the government had been harsh enough to have mounted police enforce the fisheries regulations. "This will never be done any more," said the Minister of Justice; "I can, as minister, promise you that no more mounted police will invade your homes to enforce the laws of Canada."

The Secretary of State said: Do you want a railway from Buctouche to Richibucto? If you do, you know what to do. But to have his exact language, he used the following words: the very diction will be identified, the whole style so much resembles that of his great political prototype from New Brunswick, the Hon. William Pugsley, that it would itself be sufficient for identification. So I would expect no denial from the Secretary of State. He said:

> Now, I want to ask you in all fairness, who will be your representative? Who will be more apt to get a more reasonable and fair consideration for you, Doucet, the Conservative candidate, or Bourgeois? It is to your very great advantage, and I believe it is your bounden duty, if your want better railway facilities for this part of Kent, to elect Mr. Bourgeois, who will co-operate with me—

Some hon. MEMBERS: Oh, oh.

> —who will co-operate with me and my colleagues to give the people of this county what they deserve and what they want.

The language of constituency-bribing will at least never be more plain, though possibly in future years it may develop a degree of skill surpassing the language of the Secretary of State. And another speaker for the government, high in office in New Brunswick, intimated that the largest river would be harnessed, intimated indeed that the money of the Canadian taxpayer would pour in from every source, from the federal treasury and from the provincial treasury too. On these promises the government sought, and vainly sought, the election of their candidate in Kent.

These promises are what you might expect from this administration. This class of conduct is in full harmony with the style of argument, with the whole character and colour of the campaign by which hon. gentlemen opposite succeeded to power. I venture to assert that the opinion of the people of Canada, already so often expressed, now so evident that he who runs may read, now so apparent that conceivably the government is urging its supporters to keep in the best of health and the pink of condition, for they want no more by-elections—I venture to assert that the judgment of the people of Canada is already written and waits only to be handed down and that the electors only abide the day when the conduct which I have described will be once and for all put an end to—the conduct legislative, the conduct administrative and the conduct electoral.

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, it is with much pleasure that I join with my right hon. friend, the leader of the opposition (Mr. Meighen), in extending congratulations to the mover (Mr. Kelly) and the seconder (Mr. Lapierre) of the Address, and I thank him also for the kindly way in which he referred to the speeches they delivered.

I should also like to thank him for his congratulations extended to my colleagues who have become members of the government since the last session of the House, and to join with him in extending a welcome to the new members who are with us for the first time since last session.

To those who knew the reputation of the newly elected member for Cape Breton (Mr. Kelly), it was no surprise to hear the address to which we listened this afternoon. For some eleven years in succession and then, after a lapse of three years for another year, the hon. member held the important position of chief magistrate of the city in which he lives. He has held the confidence of the people there through his well-known business ability and capacity, and I am sure after listening to his speech to-day we all feel gratified that the part of the province from which he comes has the added voice which he will bring to the discussions of this House.

The speech delivered by my hon. friend the member for Nipissing (Mr. Lapierre) in every way sustained the reputation he enjoys in this parliament as an effective speaker. His address to-day was delivered in the French language, but as those of us who have heard him before know, my hon. friend, like so many of his compatriots, speaks with equal readiness in the English as well as in the French tongue.

I regret that my right hon. friend the leader of the Opposition is not in his seat at the moment. I should like to have addressed, more particularly to him what I have to say with reference to his own remarks. I must say after listening to my right hon. friend this afternoon that I was somewhat surprised at the comparatively mild tone of his discussion. My right hon. friend during the past six or eight months has been free to run at large throughout this country. He has been delivering addresses in different provinces—down by the sea, in the Maritime provinces; throughout Quebec and Ontario; he has been out through the West, I think almost as far as the mountains, if not beyond; and wherever he has gone, it has been with great difficulty that he has restrained himself in the use of adjectives sufficiently vituperative to describe from his point of view the conduct of this government and the degree to which in his opinion it had lost the confidence of the public. We have followed him across this continent in that pilgrimage of woe, in which he has played the role of chief mourner. We have listened to what he has said about the extent to which the business of the country was falling behind, the extent to which the government was burdening the nation with debt, and the extent to which taxes are being levied on the people of this country. One would have expected that after all my right hon. friend has said about the degree to which the government had lost public confidence, he would at least have had the courage this afternoon, to move, as he had the privilege of doing, a vote of want of confidence in the administration. But my right hon. friend did not take the method which parliament permits to test public feeling in a matter of this kind. He has left the extreme statements which he has made to the press of the country. He has not come into parliament and repeated here many of the things which he has been saying very loudly throughout all parts of this country.

In his peroration my right hon. friend dwelt at considerable length upon two recent by-elections, not the last one, but two recent ones. He seemed to think that because the government had not carried every seat that it contested, because it had lost two seats in by-elections, therefore it had lost to a very great extent public confidence. Well, there have been by-elections before in the history of this country. My right hon. friend was the leader of a government that had by-elections, and I would ask this House to consider for a moment just how the record stands as between my right hon. friend in his criticism of the government, and his own position.

In the government that he was a member of, the Unionist administration, there were I think twelve by-elections in a period of two and one-half years, and during that time the government lost five seats. During the time that my right hon. friend was at the head of affairs himself, his own administration in one-and-a-half years, out of eight by-elections lost three seats. But the members of this House will also recall that my right hon. friend had not the courage in the majority of cases to bring on by-elections. He left seats vacant, and when we went to the country there were ever so many constituencies not represented in this House at all because my right hon. friend was afraid to bring on by-elections. He cannot bring a charge of that kind against this administration.

Mr. MEIGHEN: How many were there?

Mr. MACKENZIE KING: I have not the exact number, but there were a good many.

Mr. MEIGHEN: About one or two.

Mr. MACKENZIE KING: A good many more than that, and I would call his attention to this fact: We meet to-day without a single vacancy in the House of Commons. As they have become vacant, we have contested every seat. May I point out that this government since it has been in office, has had thirty-four by-elections, and out of the thirty-four it has lost but two seats.

Mr. MEIGHEN: Did the government win in Lanark, did it win Halifax, or Kent or Moosejaw?

Mr. MACKENZIE KING: My right hon. friend understands what I mean. I mean seats formerly held by the government. In two years, out of thirty-four by-elections there were lost on this side of the House, of seats which the government formerly held, only two, and that at the end of two years. I think that is about as good a record as any government in this country has ever had. Though we did not have the large following which some administrations have had, we did not hesitate to go to the country immediately a vacancy occurred and during

two years we did not lose a single seat we formerly held. My hon. friend says that at some previous time I stated that there was no great significance to be attached to the return of a minister by acclamation. I do not recall the occasion he refers to, but I venture to say that if I made such a remark it related to the return of a minister immediately after the time at which the government was formed.

Mr. MEIGHEN: Oh, no.

Mr. MACKENZIE KING: Not after it had been in office, not after it had been challenged over and over again by the opposition, not after it had been told that it had not the confidence of the people of the country. My right hon. friend was denouncing this government in the different provinces, but we brought on a bye-election in Ontario, and he did not oppose the minister, who was returned by acclamation. We brought on a by-election in Nova Scotia; he did not oppose the minister and he was returned by acclamation. We brought on another by-election in Manitoba, and though our minister was opposed he was returned to this House by a large majority. We brought on another election the other day in Quebec, and the minister was returned to this House by acclamation and took his seat to-day.

Mr. BUREAU: He was opposed in the province of Quebec by the hon. leader of the Opposition.

Mr. MACKENZIE KING: Yes, after my hon. friend had toured from one end of the province to the other. With regard to the two by-elections which my hon. friend refers to, I think he knows as well as I do the circumstances which accounted for the defeat in those two cases. I think the House is well aware, and I think the hon. gentleman is well aware, that the only questions that were discussed in those by-elections were local questions, except where appeals were made, as they were made by my hon. friend from St. John (Mr. Baxter) of a sectional character—sectional appeals to one part of the country, setting it over against the other. That was the kind of appeal which my right hon. friends opposite made, but beyond that, the by-election had no significance whatever. We have taken the stand with respect to the laws of the country as we found them, that we would seek to administer them without fear and without favour. When we came into office we found, so far as the administration of public affairs was concerned, that to a considerable extent our hands were tied by the Civil Service Commission, which controls all appointments, which put into office whomever they pleased, without the government of the day having a voice one way or the other. The people of this country have not yet come to understand the meaning of that form of administration of public affairs. I am not going to debate to-night the wisdom of the Civil Service Commission carried on within certain limits and in accordance with certain principles, but I say this—and every member of the House knows it—that among the government's following from one end of the country to the other, the fact that many of those who had been bitterly opposed to the government, men who have been prominent in Tory circles, have been given political appointments under the Civil Service administration, has created dissatisfaction with the government from one end of the country to the other. More than that, as my right hon. friend knows, when we took office we said, with respect to the National railways, that we would divorce their control and management from politics. We selected a man in whom we had great confidence and made him president of the system. We gave him a board of directors to associate with him in the management, and we told him that they were to have a free hand in the administration of the railway. We believed the only way to test the wisdom of the system of national ownership was to give it a fair trial. I have taken very strong grounds on that personally. I have refused absolutely—and hon. members on this side of the House will bear me out in this statement—to listen to any appeal in any way to interfere with the control of the national railway system by the president and board of directors. I have told the president and directors that it was for them to administer the railway without fear or favour. In their endeavour to consolidate, to effect economies, in their endeavours in every way to safeguard the interests of the public, they have made changes in some parts of the Maritime provinces which have affected a large number of the citizens there. The government has been held responsible for that, though we have had nothing to do with the changes, and one effect of the changes which have been made in the Maritime provinces, under the direction of the present administration of the railway, has been a certain discontent amongst some of the government's followers, which has been reflected in part in the results of the by-elections. I think it is only fair that the country should know that. Instead of being condemned for our action, we are entitled to the confidence

and support of the people of the country who want to see the Canadian National system given a fair chance and a square deal.

Let me pass on to the next topic with which my right hon. friend dealt. Instead of taking up his speech from the beginning and following it in the order of its delivery, with my right hon. friend's permission, I will take up the last point first and work back to the beginning. He touched upon the Speech from the Throne. I think that was the subject he dealt with just prior to dealing with the question of the by-elections. He said that the Speech from the Throne ought to discuss Imperial affairs, and ought to give an account of the conditions of the country, and the one thing it ought not to do was to touch on any question of the tariff. Whoever heard, he said, of changes in the tariff being described in the Speech from the Throne?

Mr. MEIGHEN: I did not say that at all.

Mr. MACKENZIE KING: What did the hon. member say?

Mr. MEIGHEN: I spoke about a specific question affecting the tariff being foretold in the Speech from the Throne.

Mr. MACKENZIE KING: I thought the hon. member said any change whatever.

Mr. MEIGHEN: I will show you the speech.

Mr. MACKENZIE KING: I know the workings of my hon. friend's mind, and I jotted down his words. I knew exactly what he was going to say when he came to the question. The impression he tried to convey to the House was that the Speech from the Throne was not the place to mention the tariff or to mention—

Mr. MEIGHEN: No, no.

Mr. MACKENZIE KING: Possibly since the dinner hour my hon. friend has had a chance to look at the speech he prepared when he was prime minister. Perhaps he looked at it or it comes back to his mind.

Mr. MEIGHEN: No, I know what I said in the speech I made.

Mr. MACKENZIE KING: Now, I have in my hand the speech which he placed in the hands of His Excellency on the 15th February, 1921. This is what it contains:

> My advisers are convinced of the necessity for revision of the Customs tariff. In order to secure the most complete information a committee has conducted an extensive and thorough inquiry, and has secured the views of all parties and interests in every province. The hearings necessary for this purpose have now been completed, and the conclusions founded thereon will be submitted to you in due course.

Mr. MEIGHEN: Hear, hear.

Mr. GUTHRIE: Hear, hear.

Mr. GRAHAM: Were they ever submitted?

Mr. MACKENZIE KING: The question whether or not what is put into the lips of His Excellency is in general terms or specific terms is a very small matter as compared with whether the right hon. member leading the House puts into the lips of His Excellency words which he never intends to carry out and never does carry out. My right hon. friend knows as well as every other hon. member of this House knows, that it is customary to mention in the Speech from the Throne intended revisions in the tariff. I have in my hand the Speech from the Throne of March 25, 1897, and this is the clause that refers to the tariff there:

> A measure will be submitted to you for the revision of the tariff, which it is believed will provide the necessary revenue, and while having due regard to industrial interests, will make our fiscal system more satisfactory to the masses of the people.

That is the wording of the Speech from the Throne by a Liberal administration in 1897. That promise in the Speech from the Throne was implemented. The revision was made, and the promise made to-day by His Excellency will be implemented.

My right hon. friend said that the Speech from the Throne should contain some reference to Imperial affairs.

Mr. MEIGHEN: I did not.

Mr. BUREAU: He remarked that it contained nothing.

Mr. MACKENZIE KING: Does my right hon. friend mean to say that he made no reference to Imperial affairs or Imperial relations?

Mr. MEIGHEN: I said that it was usual, amongst other things, to refer to inter-Imperial relations. I do not say that the Speech should do so.

Mr. MACKENZIE KING: That was a part of my right hon. friend's criticism of the present Speech from the Throne. If he takes his own speech, the one to which I refer, I challenge him to find any kind of allusion to inter-Imperial affairs in it.

He said that the Speech from the Throne should contain some reference to the condition of affairs in our own country. I do not know whether my right hon. friend has read the first paragraph of this speech; but I think perhaps, it is worth while reading it over to him again.

Mr. MEIGHEN: I know it contains that.

Mr. MACKENZIE KING: Let me read the words, and if anything could be more specific and true, I would like my right hon. friend to tell me what it is:

Though the general economic situation still reflects the consequences of the world war, the records of production, trade, transportation, employment and public finance have been uniformly increasingly favourable throughout the Dominion. The state of general employment has been distinctly better. The volume of business has steadily increased. Especially has the country reason to feel gratified at the expansion to a notable degree of its public revenues and the decline of its expenditures.

This is about as specific and concrete a statement as could be given of the condition of affairs in Canada to-day, a statement which my right hon. friend was not able to put into any address which he ever presented to parliament.

My right hon. friend said: "Why should there be mention in this address of the Industrial Disputes Act?" I suppose because it referred to labour, he thought it was too insignificant a matter to mention. I notice in his own address he said.

An investigation is being conducted by the Department of Labour into systems of unemployment insurances and old age pensions.

That was the announcement he made, but nothing ever came of it one way or another. The reason reference is made in the Speech from the Throne to the Industrial Disputes Act is the same reason as applies to racetrack gambling and to the construction of the Canadian National Railway Lines bill which is mentioned in the same clause, because those were measures which passed this Commons at the last session, but were thrown out by my right hon. friend's friends in the Senate and which we intend to reintroduce at the present session.

Mr. MEIGHEN: And by my right hon. friend's friends too.

Mr. MACKENZIE KING: I think the next subject which was touched upon by my right hon. friend was that of immigration.

Mr. MEIGHEN: Emigration.

Mr. MACKENZIE KING: Well, emigration, if he wishes to put it in that way.

Sir HENRY DRAYTON: That is the fact.

Mr. MACKENZIE KING: My right hon. friend, in discussing this question, undertook to give to the House a quantity of statistics which he said were based upon returns of the American government. He gave those figures to parliament, but he did not tell parliament in the figures that he quoted that while the American government keep a record of the number of persons who leave Canada to go to the United States, they keep no record, nor do we keep a record of those same persons returning from the United States to Canada. Nor did he tell the House a fact which I think is, or ought to be known to him, that a little time ago an officer or officers of the Immigration Department made an examination of a number of cases specifically given to them by United States officials of names of persons who were put down on American lists as emigrants from Canada to the United States, persons who had crossed the boundary line, and of the total number of cases that were cited, 60 per cent were found to be the names of individuals who had returned and who were living in Canada again. The figures my right hon. friend cited this afternoon are not true as an indication of the extent of the so-called exodus from this country to the United States. He knows as well, that at different times in the past there have been periods when there has been a considerable efflux of population from Canada to the United States. We have witnessed some of it recently, but what is the reason? If we go back to the original cause, we shall find that one of the reasons was the fact that for a few years the machinery of immigration from other countries to this was completely disused. Of course during the period of the war no effort was made to bring in immigrants. Immediately after the war the immigration machinery was not set in motion; the offices on the other side remained closed. My right hon. friend did nothing to start immigration to this country during the entire time that he was in office. As everyone knows immigrants are not brought to a country in a day; a great deal has to be done in the way of advertising, in the way of establishing immigration offices for the purpose of giving information and the like, and it takes some little time before a movement will begin to set in from one country towards another. When we came into office we began immediately to establish that machinery. We opened offices in Europe and particularly in the British Isles, and to-day we are beginning to see the fruits of our work in the tide of immigration which is now setting towards our shores. One of the things which I wish to bring out is that the fact that immigration has not been coming for a number of years, lessens to a considerable extent the quantity of work which would be in course of development in the country and does not give the same amount of employment that would otherwise be the case, and for that reason in part some of our people, not finding the oppor-

tunities for employment in Canada they have expected, have been tempted to go to the United States to seek employment. But men who have studied conditions claim there is a fairly even balance between the two countries. For example, Premier Dunning, of Saskatchewan, in a conference regarding immigration matters which was held in Ottawa last fall, made the statement that as between the numbers of people going back and forth, in prairie schooners as they term it across the line, it was difficult to say which numbers were the more considerable.

My right hon. friend in one of his public speeches has pointed out that there is a drift from the country to the cities; that it is an inevitable thing, a natural phenomenon in all countries, likely to continue and not attributable to fiscal or other policies of a government. What my right hon. friend regards as inevitable has been happening here. Some of our people living in Canada, particularly those living adjacent to the border, have drifted over to American cities during a period of great prosperity because wages there were high and there was plenty of employment along construction lines; but those people are beginning to come back to Canada in considerable numbers, and I think we shall find, as this year goes on and is succeeded by other years, we shall soon again have the old story of reviving prosperity with increased immigration as we have had it in former years. Let me cite the figures for the last nine months. From April to December of 1923, that is to say for nine months of last year, there were 124,680 immigrants who came to this country as against 60,247 the year previous, or an increase of 107 per cent.

Mr. MEIGHEN: What were the two years?

Mr. MACKENZE KNG: I am giving the figures for the nine months from April to December 1923 as against the same months of 1922.

Mr. MEIGHEN: Let my hon. friend give the figures for 1921.

Mr. MACKENZIE KING: I have already told my hon. friend that he stopped all the immigration machinery during the period that he was in office.

Mr. MEIGHEN: I know that the Prime Minister said that, but it is entirely wrong; not a word of it is correct. The immigration in 1921 exceeded 148,000.

Mr. MACKENZIE KING: I hold to the facts that I have already mentioned. Another statement which my right hon. friend is fond of making is that we have been searching the highways and byways, the lanes and the alleys, to bring the scourings of Europe over to this country. I think I have the right hon. gentleman's exact words somewhere here. His statement has been that we have been—

> scouring the cities and back lanes of Europe to bring people to this country.

My hon. friend has been making that statement in different parts of the country. He knows that it is not correct. He knows that for the most part the people who have been coming to this country have been coming from the British Isles. During the nine months from April to December, 1923, 64,127 persons came from the British Isles as against 28,525 in the corresponding nine months of the year 1922, or an increase during the last year of 125 per cent over the previous year in the immigration to this country of people of British stock. That is the answer I make to my hon. friend in his efforts to have the country believe that the government is bringing in larger numbers from other countries than from Great Britain.

May I refer for a moment to what my hon. friend said in reference to a conversation which I had with one hon. member of the House, the member for Marquette (Mr. Crerar), and also with Premier Dunning of Saskatchewan. My hon. friend seemed to think that it was an extraordinary thing that one who has the responsibilities of having to do with the shaping of policy in the country should seek to get information from a member of parliament or from the premier of a provincial government. May I say to the hon. gentleman that I have been getting information from as many sources as I possibly can. I asked Premier Dunning to come to Ottawa because while I had had the privilege of having a talk with the Premier of Manitoba, the Premier of Alberta and the Premier of British Columbia, I had had no opportunity of having a similar conversation with him, and knowing the important position he holds in Saskatchewan, knowing his grasp of western affairs, knowing his great ability and the public confidence he enjoys, I naturally was anxious to have a discussion with him before parliament met this session, in order to confirm certain views I had formed with regard to important matters of public policy. In the same way I asked the member for Marquette, not being sure whether he would be in the House at the opening of the session, whether he could spare the time to come to Ottawa for the purpose of a

conference with me. He kindly consented to come and I had a most valuable and helpful conversation with him. I also had conversations with other gentlemen on the opposite side of the House, not merely since the session opened but during the time preceding which intervened between my return from England and the present moment. Wherever the opportunity has presented itself I have sought to discuss western and eastern affairs with members of parliament. My hon. friend asks me, what about the reports of my own ministers who have gone out West? I am sure the House must have been impressed with one thing, and that is the number of members of the present government who found it possible, and made it a point to visit western Canada and become familiar with western views. The very question which my hon. friend asks shows that the members of the government are doing their duty by the country in seeking to become acquainted at first hand with the needs of the country. If my hon. friend wants to have an answer to his question as to what significance there is in the reports of these gentlemen the members of the government who are from or who have visited western Canada, he will find it in the Speech from the Throne, which reflects their views.

There was one passage in particular the significance of which it seemed difficult for my right hon. friend to grasp. He quoted this particular passage:

> National unity, not less than national prosperity, depends upon the surmounting of those barriers which have tended to separate western from eastern Canada and to discourage permanent settlement upon the land. Foremost in this regard are the problems incidental to tariff readjustments and to the marketing of agricultural and other natural products.

If my hon. friend thinks that passage is meaningless I will refer him to the group of gentlemen opposite who represent constituencies in western Canada, and I will suggest that he inquire of them whether there is not in it one of the most significant truths ever uttered in this parliament. The exception I take to the remarks of my hon. friend is that he seems to think there should be no negotiations between eastern and western Canada. He asked this afternoon, when are we to have stability if these negotiations are to go on? Let me tell my hon. friend that we shall never have stability in this country until we get eastern and western Canada together, until we get a policy sufficiently national and Canadian for men to stand up in this House of Commons and in referring to it speak of themselves as Canadians, not as Progressives, or Liberals or any other class but as citizens who are anxious to see the country prosperous and united. We have set ourselves this task, and I make this appeal to gentlemen opposite who come from the West. We as a government have undertaken seriously to do the best we can, in the light of the knowledge we have, to bind eastern and western Canada together. We cannot do it ourselves, but we say to hon. gentlemen that if they are prepared to give us the support which we need to carry out the policies which we believe to be the national interests, we shall be able to accomplish the task that is before us. In making that statement I am not saying more than my hon. friends from the West have said repeatedly, namely, that they are prepared to stand by this government and support it so long as the government gives expression to the policies which it is pledged to carry out.

Now I might say a few words with reference to my hon. friend's remark on the tariff. To be perfectly frank, I could not make out just what he was driving at. I think he finds himself in somewhat of a difficulty. At one moment he wished to have it appear that the government had done nothing in the matter of the tariff. He told us, in not quite as loud a tone as he has done on former occasions,—

Mr. MEIGHEN: Nothing but harm, I said.

Mr. MACKENZIE KING:—that we had done nothing in the way of carrying out what the Liberal party at the convention had recommended in the way of a downward revision of the tariff. He said, or at least he tried to convey the inference, as he has done before, that we had done nothing in that direction. On the other hand, when he began to seek for material to bolster up an argument against any further changes in the tariff, when he began to think about his high protectionist friends and the kind of doctrine they wish him to preach, he declared that we had cut the tariff so much that we were destroying the implement business and closing the woollen and textile mills and I do not know how many other industries.

Mr. BUREAU: Importing more raw wool and closing the mills. Logical.

Mr. MACKENZIE KING: My hon. friend said that when we came into office we immediately threw aside our platform; and the whole tone of his condemnation of us in the last year or two has been on that score. Now he condemns us for carrying out that platform. He said in his speech this afternoon

that I had described that platform as a chart and compass to be looked at and not followed. He knows I never uttered such words in my life.

Mr. MEIGHEN: It follows from the event.

Mr. MACKENZIE KING: We are getting used to the casuistry of my hon. friend. I said that the Liberal platform was a chart; that the compass would be the government of the day, composed of men who were in a position to judge of the country's needs and situation, that they would be guided by the light of facts as to how far at any particular time it would be wise to go in carrying out the provisions as set forth in the platform. That is the position we took on coming into office, and that is the position we take to-day in reference to the tariff. If we needed any vindication of our position, if we needed any single statement to show that the position which we had taken was the right and proper one, it would be the attitude of my hon. friend to-day, who does not know on which score to condemn us, and which is equivalent to saying that we have avoided extremes and that in dealing with tariff matters we have exercised that caution, and prudence, and wisdom so necessary in whatever is being done.

We tell my right hon. friend that what we have done we believe to be in the country's interest, that to carry out what he himself a little earlier in his address mentioned was one of the most necessary and essential things for the development of this country may require us perhaps to go a step further. My right hon. friend spent a great deal of time in pointing out what we should be doing to develop our natural resources. If I gathered the burden of his theme at the start, when he began to speak of trade with the United States and other countries, it was to the effect that the duty of the government was to do all it possibly could to develop within Canada our natural resources. What is necessary for the development of these resources? Two things —capital and labour. We are seeking to increase the labour by adding to the numbers coming into the country through our immigration policy. What is the capital necessary for the development of our natural resources? It is first and foremost the instruments that are necessary for production in the basic industries. This is the capital that men have to work with. It is by the aid of capital and labour, made as plentiful, as ready and as efficient as it can possibly be, that the industries of our country will be best developed. And so we as a government have taken this position, believing that in the development of our natural resources lies the foundation of our national prosperity. We have said that just as soon as our finances would permit us to do it we would take the proper steps to relieve essential capital of taxation. We believe that when we announce the budget we will be able to declare that the time has come when there can be some relief from the burden of taxation of those instruments of production which are essential to the full development of the basic industries of the country.

Now, my right hon. friend said that he doubted our prosperity, that he did not know what evidences there were of prosperity, nor did he know what the government had done to contribute towards it. In the course of his speech he touched on some matters that appear in the Speech from the Throne, but he ignored other very important matters: He said nothing of what this government has done to reduce the public debt, to lessen taxation, and to effect economies in the public service—of these things my right hon. friend never said a word.

Mr. MEIGHEN: I did not know they existed.

Mr. MACKENZIE KING: Well, before the night is over I shall teach my right hon. friend that they do exist. The trouble is that in his pilgrimage of woe which he has been engaged in during the last six or eight months he has repeated so often statements that are wholly untrue, statements that are in no way borne out by the facts, and has become so accustomed to listening to his own voice in public, that he has forgotten altogether what the truth is and what the facts are. I purpose tonight not to give my right hon. friend the kind of generalizations in which he has been indulging, not to make the imprudent and reckless statements he has been resorting to in the various provinces, but to appeal from the misrepresentations he has been making to the facts, and to leave the country to judge between us as to whether or not the propaganda which he and his friends have sent broadcast about the alleged extravagance and the waste of the present administration has any foundation in fact.

Mr. MEIGHEN: Start on the reduction of debt.

Mr. MACKENZIE KING: I will do as my right hon. friend suggests.

Mr. MEIGHEN: Hear, hear.

Mr. MACKENZIE KING: What did my right hon. friend say with regard to the re-

duction of debt? Speaking in Winnipeg—I happen to have here a quotation from one of his speeches—my right hon. friend said:

> The burden of taxation on the Canadian people was greater than the burden on any people in any other country similarly situated in the known world.

Mr. MEIGHEN: Hear, hear.

Mr. MACKENZIE KING: This is from the Winnipeg Tribune of September 8, 1923.

> He recognized, he said, that taxation in Canada must be great, but to-day it was beyond all reason. He wondered how people could reconcile the pre-election speeches of Sir Lomer Gouin, in which there were declarations that the public debt had to come down or Canada would be bankrupt, with the two budget statements of Mr. Fielding. The debt of the Dominion had risen by almost one hundred million dollars since the Fielding regime, and with the last budget had gone the announcement that it could not balance by $172,000,000.

Mr. MEIGHEN: Excuse me. I did not use the figures $172,000,000 at all; I used $72,000,000.

Mr. MACKENZIE KING: I am sorry, but I am taking the quotation as it appeared in the Winnipeg Tribune.

Mr. BUREAU: Good for the public, bad for the House.

Mr. MACKENZIE KING: My right hon. friend has asked me to speak first of all of the debt and to show wherein this government has done anything to decrease it. I will not say anything of the debt during the period of the war. The country knows that while war is on the accumulation of debt must be vast, and while it might be expected that the government of the day would seek to meet some of the cost of the war out of the taxes of the people at the time war is in progress, which my right hon. friend and his colleagues did not do—

Mr. MEIGHEN: Oh, oh.

Mr. MACKENZIE KING: Yes, which they failed to do, nevertheless the country would be prepared to expect a very considerable addition to the debt during the war and for a period immediately after the war. The war started in August 1914 and ended November 11, 1918. If we allow until the end of the fiscal year 1919-1920, six years, I think we are taking what might be correctly termed the war period. During this period vast expenditures would be made on account of war and demobilization, but one would expect those expenditures to end by that time. What was the position of my right hon. friend then? In the year 1920-21, during most of which time my right hon. friend was at the head of the administration, he added to the public debt $92,000,000.

Mr. MEIGHEN: Hear, hear.

Mr. MACKENZIE KING: My right hon. friend says, "hear, hear." The next year, the year that he was prime minister, when he had the shaping of his own budget, when he had got past the period of demobilization, when we had come to the time that he says the increase of debt ought to end, he added not $92,000,000, but $81,000,000.

Mr. MEIGHEN: How much of that was gratuities and how much was due to demobilization?

Mr. MACKENZIE KING: I am not going into the details of that at the moment. I am asking—

Some hon. MEMBERS: Oh, oh.

Mr. MACKENZIE KING: I will give the full details if my right hon. friend wants them. He knows that I have not got them before me at the moment.

Mr. MEIGHEN: Soldier settlement.

Mr. MACKENZIE KING: Yes, soldier settlement and the like. But what is this government doing? Are we not also paying for soldier settlement? Are we not paying pensions and all of these other things?

Mr. MEIGHEN: Very little.

Mr. MACKENZIE KING: My right hon. friend asked me to show how the debt had increased since the war. I have told him that he added $92,000,000 one year and $81,000,000 the next, and that $81,000,000 would probably have been $92,000,000 if this government had not come into office. We came into office on December 29th, 1921. In 1922-23 we had to carry a great part of the load that my hon. friend left us, liabilities that had nothing to do with the war but relating to a number of things that had we been in office we would never have though of undertaking.

Mr. MEIGHEN. Railways.

Mr. MACKENZIE KING: I will come to that in a few moments. But what was the result? At the end of that year we had not added $92,000,000, nor had we added $81,000,000. We had made an addition of about $31,000,000, or a drop of $50,000,000 in the very first year we were in office.

Mr. MEIGHEN: Will the right hon. gentleman tell us what year it was that only $31,000,000 were added—the first of it and the end? I want to check him up.

Mr .MACKENZIE KING: That was the fiscal year 1922-23.

Mr. MEIGHEN: Well, my right hon. friend is entirely wrong. Either that, or the statement of the Finance Minister must be wrong.

Mr. MACKENZIE KING: In 1922-23, $31,500,000, to be exact, was the amount that we added. But as I have explained to the House, that year we were not free, nor are we even yet, in the matter of shaping our budget, owing to the many obligations that we have inherited from hon. gentlemen opposite. But this year, having had one year in which to effect economies, one year during which we had some control, though not a great deal, over expenditure, when the Finance Minister makes his financial statement on the floor of the House it will be found that instead of there being any addition to the public debt, for the first time in the last ten or eleven years there will be an increase of receipts over expenditure.

Mr. MEIGHEN: (rising)—

Some hon. MEMBERS: Oh, oh.

Some hon. MEMBERS: Order.

Mr. MEIGHEN: I am grateful to hon. gentlemen for their applause, but I do not need it. I was only going to ask the Prime Minister if he would be good enough to tell us how much of an obligation the country has incurred by guarantee of railway bonds, which is the plan this government has taken instead of lending the money directly out of the treasury.

Mr. MACKENZIE KING: I will give my hon. friend perhaps more in the way of particulars than he will be glad to hear.

Mr. MEIGHEN: Well, you will not give me that.

Mr. MACKENZIE KING: I shall be very glad to give him anything he asks if he will give me time. I will make my statement now and there will be ample opportunity to go into the details. We all understand the purpose of the propaganda which my right hon. friend through his press has been carrying on, and which he is seeking to carry on at the present time, with regard to supposed extravagance and all the rest of it. First of all, it is to conceal the waste and extravagance which prevailed while my right hon. friend was in office and which is mainly accountable for the large expenditures that still have to be made and the present heavy taxation. In the second place, it is an effort to undermine confidence in the present administration and to conceal what the present government has done and is doing in the way of effecting economies in expenditure and also in bringing about reductions in taxation.

9 p.m.

I wish the members of the House to keep in mind what I have just said: that this year, for the first time since 1912-13, the budget will be balanced. And that will be done this year, not next. My hon. friends opposite have been talking about extravagance. They have been speaking of the "whisper of death." We have listened to all that kind of propaganda, and the country is beginning to believe that there is some truth in what is being said.

Some hon. MEMBERS: Hear, hear.

Mr. MACKENZIE KING: My right hon. friend says, "hear, hear". He is prepared to deceive the people; we want to give the country the truth—we do not want deception. May I say to my right hon. friend that if there is one thing which is needed in Canada to-day more than anything else it is a note of confidence and optimism, not the attitude of detraction and pessimism which my right hon. friend is so fond of taking.

Why were we not able to effect these economies sooner? First of all, there were the legacies which were inherited from the preceding government. There were legacies which grew out of their own extravagance. There were the legacies of war, the increase in the public debt resulting therefrom, the amount that has had to be paid in pensions, and for soldiers' civil re-establishment, and a large amount for soldier land settlement; and miscellaneous amounts involved in the refunding of the debt, an operation that relates particularly to the war bonds. Then, in addition there have been the special obligations which we inherited in the nature of subsidies to provinces and grants made to the provinces for highways, for agricultural instruction, for technical education, large loans for housing, in unemployment relief and several other contributions. There have been the outlays on railways and merchant marine. I would like to give the House just a few particulars in regard to these matters, and as my right hon. friend is fond of getting the exact figures, I will give them to him. For the fiscal year 1919-20 there were total disbursements of $785,869,611, including advances to railways of $45,000,000. The amount was considerably larger than that of any year of the war, but it was the year of demobilization and much of the expenditure has to be put down to that head. For the fiscal year 1920-21 the total disbursements were still as high as $528,283,199, much of it due to the waste and extravagance of my right hon. friend. For the fiscal year

1921-22, the year that my right hon. friend was in office for nine months, the total expenditure was $463,652,436, and last year, 1922-23 it was $434,452,340, or a reduction of nearly $30,000,000.

Let me make an analysis of that expenditure and see how far it was possible for the present administration to control the situation. The significant feature of it is the extent to which the expenditure is uncontrollable. By that I mean it is not within the power of the government to avoid making some of the large expenditures that have to be made. Before we can prepare for the services of the government itself, before we can attempt to meet the ordinary expenditures of the public service, we have to face vast obligations exceeding by many times the entire cost of government of a few years ago.

Let me give the principal items. For this last year, generally uncontrollable expenditures as growing out of the war were:

Interest on public debt	$137,892,735
Pensions	32,986,919
Soldiers' civil re-establishment	13,365,134
Soldier land settlement	1,819,825
Charges of management, premium, discount, exchange	1,003,068
War and demobilization	4,464,760
	$191,532,441

With reference to the item of $1,819,825 for soldier land settlement, that is for administration alone, and does not include, of course, loans amounting to some eight or ten million dollars. So on war account alone we were called upon to raise $191,532,441 before we could begin to consider any other items of the budget.

Then comes the generally uncontrollable expenditure due to the railways and the mercantile marine:

Advances to railways	$77,863,938
Canadian Government Merchant Marine, Ltd.	5,979,856

On the Canadian Government Merchant Marine, you will note, one of the colossal mistakes of my right hon. friend and his friends, we had to pay $5,979,856.

Then in further uncontrollable expenditure is included.

Regular subsidies to the provinces, under B.N.A. Act	$12,207,313
Miscellaneous uncontrollable (refunding debt)	4,042,931

That makes a total of generally uncontrollable expenditure amunting to $291,626,479.

In addition to all this uncontrollable expenditure the present administration found itself obligated by statute to pay over to the provinces the following amounts:

[Mr. Mackenzie King.]

Technical education	$ 647,227
Grants for highways	5,854,396
Agricultural instruction aid grants	1,201,605
Employment co-ordination offices	264,590
Unemployment relief	944,878
	$8,913,696

That makes a total of $8,913,696, all of which we inherited and which we had to continue to pay whether we wished to or not, because they were contractual obligations.

To this should be added the expenditures which the present government had they been in office would never have incurred or committed the country to, such as the expenditure of $337,462 on the unfinished $40,000,000 terminals at Halifax. That is what my right hon. friend meant to put into terminals at Halifax.

Mr. MEIGHEN: The hon. gentleman had better get within at least one hundred per cent of the facts. He is at least twice, or something more than that out.

Mr. MACKENZIE KING: My hon. friend can give his explanation later I will let my figures stand.

Mr. MEIGHEN: Try to be correct.

Mr. MACKENZIE KING: If we take the figure of my hon. friend, who says it is only fifty per cent of that, that was a colossal waste of public money and addition to our public indebtedness. Then there was an expenditure of $562,120 on a dry dock at Esquimalt, involving another outlay of $5,000,000. Am I exaggerating there?

Mr. MEIGHEN: No, but the present Minister of Public Works said that the only fault he had to find with us was that we did not start it in time.

Mr. MACKENZIE KING: The time when my right hon. friend started it was when he was seeking to assist his present political organizer in a by-election.

Mr. MEIGHEN: If my right hon. friend will permit me—I always permit him a correction—it was started and the land purchased and paid for in 1912, which was about seven years before the time he mentions.

Mr. TOLMIE: I should like to say to the Prime Minister that was five years before I ever went into politics at all.

Mr. MACKENZIE KING: Perhaps my hon. friend would tell us that the time he went into politics was when they started work on the dock.

Mr. MEIGHEN: It was started two years after.

Mr. MACKENZIE KING: There were in addition other large amounts outstanding. My hon. friend had some contractual relations with the Dominion Iron and Steel Company, which this government had to meet, in an Exchequer Court award of $1,500,000.

Mr. MEIGHEN: The Exchequer Court made no award. The government paid it without any award.

Mr. MACKENZIE KING: The matter was before the Exchequer Court and a settlement was made on that basis.

Mr. MEIGHEN: The settlement was made by this government.

Mr. MACKENZIE KING: Other war claims aggregated a total of $6,784,623. I am giving these figures to the House that they may know why it was when the present government took office it was impossible for us to balance the budget at that time. I think any hon. member will see that these expenditures were all imposed on the government. We had to meet them before we could go on with providing the necessary expenditures in other directions for the public service.

Then there were also expenditures in connection with the acquisition of the Grand Trunk and associated systems of $100,523, or a total of $6,885,146.

That makes a grand total of obligations in the way of uncontrollable expenditure of $308,324,913.

Taking the total disbursements at $434,452,340, and subtracting the uncontrollable expenditure as set forth, totalling $308,324,903, it leaves the controllable or regular ordinary expenditure at $126,127,437. In other words, the uncontrollable expenditure has exceeded the controllable by $181,197,466.

In addition to that did I wish to take up the time of the House, I could give a list of commitments to which this government was obligated on account of public works entered into by my right hon. friend, on which there was outstanding on December 31, 1921, $13,342,000.

Mr. MEIGHEN: The chief would be the Welland canal, which the hon. member now says he is expediting.

Mr. MACKENZIE KING: The chief was not the Welland canal. I am speaking only of contracts entered into by the Public Works department and am not including contracts entered into by the Department of Railways and Canals. Among the expenditures was $1,014,735 for Toronto harbour, on which my hon. friend had paid $2,000,000 odd, making an expenditure of $3,823,677 for the Toronto harbour, in addition to improvements amounting to $2,579,890, of which we still have to pay some. On the Esquimalt dock he had paid $497,140, leaving us a legacy on that account of $4,402,000; and the St. John, N.B., Courtenay Bay works, $5,194,470 on which he had spent $3,284,520, leaving us an obligation still to fulfil of $1,909,950.

Mr. MEIGHEN: Who did the hon. gentleman say started that?

Mr. MACKENZIE KING: I am speaking of the amount spent during my hon. friend's time.

Mr. MEIGHEN: Yes, but who started it?

Mr. MACKENZIE KING: I might point out further to my right hon. friend that though he announced to the country in August, 1921, that the elections were to take place that year, notwithstanding that we were then on the eve of an election, he awarded contracts right and left, with the result that when we came into office we had contracts totalling a very considerable sum signed by my right hon. friend and his ministers, but on which not a single dollar had thus far been paid. We were obliged to go ahead and carry out these contracts:

September:
- William Head quarantine station.
- Wharf at Manson's landing, British Columbia.

October:
- Immigration shed at Quebec.
- Rivière du Lièvre, lock and dam.
- Drill shed, roofing, Ottawa.
- Deep water wharf at Gaspé.

November:
- Alterations to Ottawa post office.
- Entrance to Whitby harbour.
- Red Deer, Alta., post office fittings.
- Wharf at Providence Bay.
- Grosse Isle, Que., quarantine station wharf.
- Fraser river, B.C., Steveston jetty.
- Wharf at Parry Sound.
- Wharf at Cowichan Bay.

Mr. MEIGHEN: Are not these all repairs and all authorized by parliament?

Mr MACKENZIE KING: They are not indicated as repairs. They are all contracts awarded and on which not a single dollar was paid out by my right hon. friend. If they were repairs he ought to have got busy and started repairing if parliament had voted money for the purpose. After the election was over—the election was over on the 6th of December—he signed a contract on December 9, for painting a bridge at St. Leonard, N.B. and also a contract on December 19 in this city for Printing bureau alterations.

Mr. MEIGHEN: Does the Prime Minister think that if his government had been in power they would have taken care to spend the money during election?

Mr. MACKENZIE KING: I think my hon. friend gave a contract for an icebreaker, amounting to a million and a half, after the election.

Mr. MEIGHEN: No, about a million. The hon. gentleman's government spend more than that for a second hand one.

Mr. LAPOINTE: We spent four hundred thousand dollars.

Mr. MEIGHEN: Besides the repairs.

Mr. LAPOINTE: No, that is not so; that is with the repairs.

Mr. MEIGHEN: I will ask the hon. gentleman to bring the figures down later. He is wrong.

Mr. MACKENZIE KING: Perhaps the hon. gentleman will allow me to give something which will indicate the position of our expenditure at the present time. I have made a calculation of what the total expenditure on controllable account would have been prior to the years of the war, assuming that all amounts at the time corresponded to those now placed on the uncontrollable list were deducted, and I find the following result:

	Total Expenditure	Total uncontrollable corresponding to above	Regular Ordinary
1910-11	$122,861,250	$25,194,883	$ 97,676,377
1911-12	137,142,082	30,442,162	106,699,920
1912-13	144,456,877	26,859,645	117,597,232
1913-14	186,241,048	27,613,220	158,627,828

Without making allowances for the fact that the purchasing power of the dollar in terms of services or commodities is about two-thirds to-day what it was in the years immediately prior to the war, it would appear that in controllable expenditure we reached last year an expenditure considerably below that of the last year before the war. Making allowance for the diminution of the purchasing power of the dollar we were really, so far as our controllable expenditure is concerned, at a point considerably below even the last year of Sir Wilfrid Laurier's administration. That is the position.

Now, Mr. Speaker, I have already intimated that, so far as the present year is concerned, at the end of it, as a result of the economies the government has effected, as a result in part of the increased presperity of the country, due to the policies we have set in motion, we will have for the first time for over a decade a balanced budget in this House. More than that, the government, so far as its work in economy is concerned, is continuing to carry that work just as far as it possibly can. We believe that what the country to-day wants is as little in the way of public expenditure as possible, consistent with the efficiency of the public service. We believe what the country needs above everything else is a reduction in taxation, and in the preparation of the estimates we are about to submit to parliament, which we will be ready to submit as soon as the debate on the budget is over, we will be able to show a very considerable reduction beyond even that which I have already indicated. I think the House will be surprised when they find how far the government have gone in this matter. But let me say, Mr. Speaker, that while we have been effecting economies, while we have been asking members of the House not to press for public expenditures on anything except what is absolutely necessary and absolutely essential, we think we have come to a point where it will not be possible to go much further in the way of depriving this country of some of the public buildings and public works of which it is in such great need, and that in the course of time, once our expenditures are reduced to a point that we can reduce the taxation somewhat, we must take up the work of constructing some of the public works so essential to the needs of the country at the present time.

Now, Mr. Speaker, that is our answer in a word to what our hon. friends have been saying about extravagance and waste and about the increase in the public debt. Our answer to them is that we have been effecting economies all along the line, we have brought down expenditures to the point where we have balanced the budget. We intend still further to reduce the public expenditure in the estimates which we are submitting to parliament, and we intend to reduce the taxation of the people of this country.

I wish to refer to one other aspect. The country has been led to believe that the government had been adding to the public service, that, in so far as the different departments of government in Ottawa were concerned, they were overmanned and that we had been indifferent to the cry of economies so far as the Civil Service is concerned. Let me say that the reduction within the Civil Service is one of the most difficult subjects with which any government can be faced. Our hon. friends opposite claimed that they had gone about as far as it was possible to go. I think the preceding government brought

Sir George Murray over from England to tell them how these economies could be effected in the public service. I do not know what they paid him for expert advice but they gave him a considerable sum. My right hon. friend and his government brought the Griffenhagens, or the Arthur Young Company, to Canada to investigate the different departments and endeavour to make a saving. I think they paid them something like $20,000 a month. Did not my hon. friend claim that, as a result of the reports of the Griffenhagen Company they had reduced the public service to about the last point it was possible to reduce it?

Mr. MEIGHEN: Oh, no. We were only in process of doing it. We reduced the number by something over 9,000.

Mr. MACKENZIE KING: I am glad to hear my hon. friend make this statement, because before the elections he was saying they had gone as far as it was possible to go, I thought.

Mr. GRAHAM: He did not go as far as the recommendations.

Mr. MACKENZIE KING: However, let me give the facts, with regard to reductions in the service in so far as we have found it possible to make them. First let me point out this fact: in attempting to reduce the service the government has been handicapped to a certain degree by some of the work of the Civil Service Commission. That commission had adopted a form of detailed classification in the different departments which some of us think is responsible to a considerable degree for the numbers that are kept in the service at the present time. That is one of the handicaps we have had to contend with. Another handicap which we have had to contend with in the service, so far as the showing by expenditure is concerned, is the fact that every year there has to be added increases in salaries in the nature of statutory increases. There is nothing to be found in any statute in the nature of a statutory decrease. They are all automatic increases; so that even if we kept the service at the point at which we found it, it would be inevitable that the amount that would have to be paid would be considerably in excess of the figures of the previous year.

There was the further fact that when we came into office we found a serious condition of unemployment throughout the country. As hon. gentlemen know, we were obliged the first winter to vote nearly a million dollars to alleviate the condition created by unemployment. Look at the press of this city to-day; note some of the comments that are being made concerning the intention of the government still further to reduce the public service; you find an appeal being made to the government not to make this reduction because we will add to the unemployment in the city. That condition was very serious when we took office. We had to go about matters carefully, but we did proceed nevertheless. We started in some of the departments in a quiet way, and whenever we found it possible to reduce the numbers, we did so. With what result? With the result that up to the end of last year, we had made a very considerable net reduction in the public service. In some departments it was inevitable that we should make increases. Hon. members will recall that amongst legislation which we introduced was a good deal providing for increased inspection in different branches of agriculture, the existing inspection services were very considerably expanded, others were added with the result that in the Department of Agriculture we added some 237. In the Department of Finance there were additions of something like 67 owing to the fact that there are increased new services there.

Mr. MEIGHEN: Taxes.

Mr. MACKENZIE KING: Taxation, yes. There is a good deal of detail work in connection with taxation and various refunding operations. Then in the Customs department the growing revenues in customs and excise have made it necessary to add 36 clerks. In the Post Office Department the expansion of business generally throughout the country has led to an increase of 221 clerks, and to our increasing immigration services we have added 127. We have made a total increase of 688 clerks up to the end of last year in those departments. But despite this increase, making allowance for it, we have brought about a total net decrease in the service of 2,706 in the two years. But that is not all. We have been reducing the personnel of some of the services as well. The personnel of the Fisheries Protection service has been reduced, the personnel of the Military and Naval services has been reduced, the navy by 312, the permanent militia by 418, or allowing for an increase in the Air Force of 77, making a total reduction of 653 in the defence forces. The Royal Canadian Mounted Police, which we thought was far too large, has been reduced from 1,668 on January 1, 1922, to 1,146 on

January 1, 1924, a reduction of 552. That means a reduction in those three services, Fisheries Protection, Naval and Military and Mounted Police, of a total of 1,253, bringing the total net reduction of salaried persons in two years to 3,959 or nearly 4,000. That is up to the close of last year. Let me draw the attention of the House to this fact. Some hon. members are trying to create the impression that it is only to-day that the government is seeking to reduce the total numbers in the Civil Service; that as a consequence of some propaganda that is being spread broadcast, the government is to-day, so to speak, getting busy in the matter of reductions in the service. All of these reductions amounting to 4,000 that I have referred to, were made before the beginning of the present year, before the time at which this propaganda had started in so vigorously, so that hon. members will see that from the time it took office the government has been doing its duty by the country in seeking to effect all economies possible in the public service. In addition, as hon. members know, last session we put through legislation providing for a Board of Audit, which amongst other duties and functions will have to do with effecting further economies in the public service. That step was taken in legislation which was introduced in this House last session. We have felt that a Superannuation Act was also an essential feature in connection with further reductions in the public services. Those measures working together, the Board of Audit working in conjunction with the Civil Service Commission and the deputy heads of departments, will, we believe, effect further economies in the public service. We have gone and are going in this matter just as far as it is possible for a government to go.

May I add a word in reference to the outstanding reason why the burden of taxation on the country is what it is to-day? It is because the country to-day is obliged to carry the whole capital cost of the war. That is a statement that I want to make here on the floor of parliament. I made it in Quebec shortly before leaving for the old country. I saw that it was challenged during my absence; but I wish to repeat it here on the floor of parliament, that it has been left to the government that has succeeded the governments of my right hon. friend to pay every cent of the capital cost of the war including demobilization. During the whole period of the war and the period of demobilization, those six years, not a single cent was raised from the tax-payers of this country to meet the obligations of the war, if we take what was left for that purpose after the government had used what was raised for its own expenditures in other directions. That is a very serious situation, and I say that my right hon. friend and his friends were guilty of distinct negligence in the administration of the affairs of this country, that at a time when they were prepared to conscript men, to send them overseas to fight, they were not ready to get after the men who were making great fortunes out of the war.

Mr. MEIGHEN: Better try to establish that.

Mr. MACKENZIE KING: I will establish it for my hon. friend in a way that the country will know it.

Mr. BUREAU: We all know it and those who got rich know it better than we do.

Mr. MACKENZIE KING: My right hon. friend has asked me to establish what I am saying. Let me again make clear the statement that this country to-day and for years to come will have to bear the capital cost of the war in whole, not in part, because of the neglect of my hon. friends opposite to meet any of the capital cost of the war during the period of the war and the period of demobilization. Some statement was made in challenge of that by the former Minister of Finance. I have examined his figures pretty carefully and what do I find? I find he has put down to his account the amount that he raised to pay the interest on the cost of the war during the period that he was in office. A payment of interest on capital is a payment for the privilege of not having to meet the capital cost. It is not a payment of part of the capital cost. The other amounts were amounts used for current pensions; but pensions are not part of the capital cost of the war; they are part of the current obligations growing out of it and extending through the after years. Whether or not I am correct is a matter of simple addition and subtraction. Take the total disbursements and subtract the total receipts. See whether the balance is in excess or less than the amount that was spent on war account. These are the figures and what do they show.

Total deficiency between receipts and disbursements, six years of war period.. ..	$1,684,179,975
Less sum spent same period, war and demobilization..	1,670,406,242
	$ 13,773,733

In other words, $13,773,773 were added to the public debt over and above the capital cost of the war by the government having

failed to raise sufficient to cover their expenditures for other purposes.

The real explanation of the cost of government to-day and of the need for taxation is the manner in which the governments of which my right hon. friend was a member managed the affairs of the country during the period of the war and the period of demobilization which succeeded it,—the outrageous policy of government borrowing to finance the war. The whole cost of the war, and of demobilization was thrown over upon the men and women of to-day—including those who fought in the war and have returned, and the relatives of those who lost their lives in the nation's service. Not a cent was raised during the period I have mentioned, 1914 to 1920 if you will, over and above what was required to meet expenditures incurred on consolidated revenue and capital account apart altogether from the war. The capital cost of the war and the cost of demobilization were financed by loans—loans the principal and current interest upon which it has been left to those of the present day to pay. We are now meeting the cost of the war, its entire cost. In strict accounting, not a dollar of it was met by either the Conservative or Unionist governments of Sir Robert Borden, or by the government of my right hon. friend.

Here are the figures in detail:

Year	Total Revenue Receipts	Total Disbursements	Deficit	Spent on War and Demobilization Account
	$	$	$	$
1914–1915	133,073,482	248,098,526	−115,025,044	60,750,476
1915–1916	172,149,393	339,702,502	−167,553,109	166,197,755
1916–1917	232,701,294	498,203,118	−265,501,824	306,488,815
1917–1918	260,778,953	576,660,210	−315,881,257	343,836,802
1918–1919	312,946,747	697,042,212	−384,095,465	446,519,439
1919–1920	349,746,335	785,869,611	−436,123,276	346,612,955
	1,461,396,204	3,145,576,179	−1,684,179,975	1,670,406,242

More than that. Not only did the governments of the day finance the war by borrowed money; not only did they let war profiteers go all but scot free, but in their loans they made the bonds they sold exempt from taxation, so that to-day they carry no part of the cost of the war to those who were fortunate enough to secure them.

To make still clearer my contention that the whole capital cost of the war was passed on until after the war, and still remains as a charge upon the country in spite of the large sums which were collected and are still being collected in war taxes, I may perhaps be permitted to use an illustration the force of which may appeal to those of us who were not reared in the lap of luxury. Many of us in the past, some of us perhaps in the present, have been all too well acquainted with the phenomenon known as the mortgage. We know in our individual experience how we may pay and still pay and pay in interest charges on the thing without being able to make any impression on the principal sum. Even over so short a period as five or six years we may pay in interest from one-third to one-half of the principal of the mortgage without having reduced that principal by a single dollar. Now, that is just what has happened in our national affairs. The hundreds of millions which were raised by former governments in war taxation all went to pay interest on the rapidly increasing debt and the current expense of pensioning and re-establishing our returning soldiers. In no single year of the late government's term of office after the war broke out, were the amounts raised in war taxation sufficient to do more than meet current interest on war debt and current charges for pensions and the re-establishment of returned soldiers. I have said before, and I repeat, that the whole capital cost of the war is still constituting a mortgage upon the whole national wealth of Canada. What this country has to-day on its back is a mortgage equal to the whole capital cost of the war; and that mortgage was left by the hon. member and his friends.

Mr. MEIGHEN: The Prime Minister forgets that his Minister of Justice says that even then it is less by half that the debt of any other country in the Empire.

Mr. MACDONALD (Pictou): Then you admit that the Prime Minister is right.

Mr. MEIGHEN: No, I do not at all.

Mr. BUREAU: You agree to disagree.

Mr. MEIGHEN: He has no figures at all.

Mr. MACKENZIE KING: The mere payment of interest is not a reduction of the mortgage; it is simply a payment for the privilege of postponing payment, and it is sheer stupidity or wilful refusal to see the facts which cause it to be represented in any other light. I repeat, the late government failed grievously in its duty during the war period in not making heavier demands upon the self-sacrifice of our people and raising additional taxation sufficient to meet during the war a fair proportion of the capital cost of the war, as was done, for example, in England. Whatever their reason may be, they failed to do it; they loaded the entire charge of the war on the shoulders of their successors, and now they talk glibly to us about our extravagance and taxation.

I thought of giving to the House some further statistics on evidences of increased prosperity, but I think I have spoken at sufficient length this evening.

Some hon. MEMBERS: Go on.

Mr. MARTELL: Give him some of his own medicine.

Mr. MACKENZIE KING: I have no desire to delay the House unduly, but in view of the kind of propaganda to which the country has been subjected during the last year I think it would be to the advantage of all concerned to have the facts brought out in their true light. There are fortunately certain statistics which do tell the truth as to whether a country is prospering or not. We have the statistics of production and of trade, we have the statistics of transportation, and we have the statistics of employment and of business generally, also of public finance. Let my hon. friend take any one of these groups or take them all and he will find in every single division that there are irrefutable evidences of increased prosperity in this country during the past year, and that of a notable character. These are the facts which the country would do well to take to heart, because after all it is a good thing for a people to know when their country is prospering. There is nothing to be gained by belittling the country and making conditions out to be bad when as a matter of fact they are good and improving every day.

My hon. friend spoke this afternoon particularly of the record in agriculture. Fortunately, through the bounty of Providence, there has been a great record so far as the crops are concerned; indeed, it is the greatest in the history of Canada notwithstanding that the crop of last year was at that time also the greatest. Of agricultural crops for the year 1923, wheat gave a total yield of 474,199,000 bushels as contrasted with 399,000,000 in the year previous. The yield in oats was 537,000,000 as against 491,000,000; hay and clover 14,845,000 tons as against 14,062,000 tons. In Canada there is certainly an abundance of food for man and beast, and of the wheat crop of nearly 475,000,000 bushels over 263,000,000 were marketed before the close of the year. That is a fact which the government is entitled to take some credit for. Providence undoubtedly gave a bountiful harvest, but it remained with the administration and others associated with it to see that the harvest was to some degree marketed in as profitable a way as possible. Never before in the history of Canada has as much grain been marketed up to the close of the year as was done last year. That was due in part to lowered transportation and other costs, the lowering of which was brought about in some measure at the instance of the government. As my hon. friends know, it was this government that restored the Crowsnest pass rates on grain in the West. This government also referred back to the Railway Commisssion the matter of rates on grain to the Pacific coast from Alberta. These reduced rates had a good deal to do with the extent to which crops were marketed at the time, and the prices that obtained. An interesting development is the extent to which the wheat crop was shipped this year in part through the port of Vancouver. In 1920 the shipments of wheat via Vancouver amounted to less than one million bushels. This year the shipments to January 31st total 27,800,000 bushels, and it is probable that in all there will have been shipped for the crop year, the very high total of 50,000,000 bushels via Vancouver. Indeed, Canada will this year, as last, take the first place amongst the world's wheat exporting countries. Take other branches of agriculture. My hon. friend referred to some agricultural figures this afternoon, and perhaps it is well that we should consider some further figures in this connection. For the year 1922 the total value of our agricultural production, that is for field crops, animal products, dairy products and miscellaneous items, was estimated at $1,419,937,000, whilst the capital value or gross agricultural wealth of Canada was placed at $6,773,942,000. These figures shew the important place which the agricultural industry holds in our national life.

Let us take mining, in regard to which there has been a very distinct revival. The figures for 1923 show a mineral production of $214,102,000; those for 1922 show a production of $184,297,000; whilst in 1921 the production was $171,923,000. In reference to coal con-

sumption and the iron and steel production, both of which are basic phenomena in industrial progress, there have been heavy increases of late. In the 11-month period ended November last 35,228,000 tons of coal were made available for use in Canada as compared with 27,952,000 tons, the average for the same period the previous three years, or an increase of 26 per cent. In 1923 the production of pig iron was 880,000 tons as compared with a production in 1922 of 384,000 tons, or more than double the output in favour of the past year as against the previous period. In 1923 the production of steel ingots and castings was 884,000 tons as compared with 486,000 tons in 1922, or an increase of 80 per cent. The production of coal in 1923 in Canada was the largest on record, being 17,132,000 tons as compared with a production in 1922 of 15,157,000 tons and in 1921 of 15,057,000 tons, an increase of approximately 2,000,000 tons. And as a result of the removal of the cattle embargo, 37,000 head of cattle were imported into Great Britain from Canada as compared with 17,000 head for the same period in the year previous.

My hon. friend last session ridiculed the treaty which the Minister of Finance (Mr. Fielding) had made with France. What does it show? It shows an increase in imports from France of $869,000 and in exports of $2,083,000.

Mr. MEIGHEN: Is the Prime Minister not aware that these increases were in wheat and other products not touched by the treaty at all, whereas in articles affected by the treaty there was a diminution?

Mr. LAPOINTE: There was a large increase in manufactured implements.

Mr. MEIGHEN: In the aggregate there is a diminution.

Mr. BUREAU: You are mistaken.

Mr. MACKENZIE KING: I come now to the question of the foreign trade. The visible balance last year was largely in our favour, one of the results being the rehabilitation of our currency on foreign exchanges. In 1921 it took 111.6 cents to make an American dollar; last year we had reached the point where 101.9 cents sufficed.

The exports of Canadian produce for the calendar year 1923 were $1,014,734,000, an increase of 27 per cent in two years.

The imports for consumption increased from $799,478,000 in 1921 to $903,530,000 in 1923.

The visible balance of trade which in 1921 was in our favor by only $3,222,000 had increased to $111,204,000 in 1923.

Not the least gratifying effect of our recent trade policy has been that under it our imports from the United Kingdom have increased from $123,150,000 in 1921 to $136,859,000 in 1922 and $154,492,000 in 1923. While the full effects of the extensions made in the British preference are not yet shown for a full year—they came into effect only on May 12, 1923—it is evident that Canada has been effectively contributing to promote that revival of British industry which is so badly needed in the United Kingdom, and which in its turn will contribute to improve our export trade at a time when our market on the European continent is threatened by the disturbed political, economic and financial conditions there prevailing.

Then take transportation. The total earnings notably increased last year, notwithstanding a downward tendency of freight rates. Especially was this true on the Canadian National Railways. The total earnings of Canadian railways for the eleven months ended November 1923 were $429,409,000, or an increase of 6.6 per cent over the corresponding period of the year before, which came to $402,808,000. Out of this total increase of $26,601,000, the Canadian National absorbed about $19,274,000, or over 72 per cent. This has made possible the highly satisfactory statement by Sir Henry Thornton to the effect that the net operating revenues of the Canadian National Railway system will reach $20,127,000 for 1923, as compared with about $2,480,000 for 1922.

That the improved showing of the railways in 1923 is not merely on their financial side, but extends also to the physical volume of their traffic, is shown by the fact that the estimated tonnage of freight hauled in 1923 was 113,500,000 tons, as compared with 108,530,000 tons in 1922, and with 103,131,000 tons in 1921, or an increase in the two years of over 10 per cent in the physical quantity of the commodities transported.

The growth of lake transportation and of ocean transportation indicates correspondingly large increases in volume.

Then also in the matter of employment, had I time to go into it, I could point out wherein the Department of Labour index figures show very definite improvement in that regard.

As to public finance, the House has already a statement showing vastly reduced expenditure with vastly increased revenues, making the best showing which this country has known for a long period of time.

Then adding other indices of general business, such as bank clearings, stock figures,

securities and the like, one sees on every side the indication of a growing and increasing prosperity. There, Mr. Speaker, is the best answer to all that we have been obliged to listen to in the way of detraction on the part of my right hon. friend as to the condition of the country, its general business and its finances. That is the answer which we, as a government, make to the criticisms which our friends opposite have directed towards us; it is what we give to the country in account of our stewardship of the nation's affairs.

In conclusion, Sir, we believe the time has come when, instead of sounding a note of pessimism, we are justified in giving to the country a note of optimism. More than that, we feel the time has come when, instead of making appeals of a sectional character to interests in the east or to interests in the west, we ought to address ourselves rather to the nation as a whole. My right hon. friend and I had the privilege of hearing the other day an address, delivered by Mr. Vincent Massey—one of the young men of this country, accustomed to observe matters carefully and in an impartial way. He was speaking to the citizens of Ottawa, and equally to the people of Canada. He said, "It is not Downing Street but Main Street which is the foe of true Canadianism." The newspaper report of this speech contains the following:

> Turning to his theme, the speaker said the whole air seemed charged with the problematical, but so far as he was concerned he would prefer to emphasize the word Canadian rather than problems. He criticized a sectional outlook which he thought was discernible. . . But he had not much sympathy with those who saw blue ruin, red revolution, and a yellow peril, a sort of Joseph's coat of misery, which he thought also was hardly the best kind of flag under which to move towards better things.

That expression of view given at a Canadian Club meeting by Mr. Vincent Massey is, I think, the voice of the younger generation of Canada to-day of those who have faith in the country and want to see it go forward, of those who do not approve of the continual note of detraction, of pessimism and of sectionalism which has been sounded so much of late by my right hon. friend and his friends. I have spoken of the young men, let me give my hon. friend the words of an old man, one of the grand old men of this country, one most highly honoured and revered, one who some years ago used to sit in this House as a Conservative member. I give him the words of Mr. Adam Brown, of Hamilton, now in his ninety-eighth year, words which sound a note of optimism more emphatic than those already quoted and which he and his associates might well take to heart and repeat to the country as often as they can, for they are uttered by one who has been a keen observer of Canadian affairs for three quarters of a century. Concluding an address to the staff of the Canada Life Assurance Company last month, when for the fourtieth time he moved the vote of thanks to them for their services, Mr. Brown said:

> No country in the world begins the new year with greater assurance of prosperity than Canada. Let us as Canadians be prouder than ever of our great inheritance, full of hope and faith in the future that awaits our beloved Canada—a land of peace and plenty, welded heart and soul to the greatest and freest empire the world has ever known, and with hearts that change not, resolve that we will be true to our trust, rendering honest and noble service to our country whatever our calling in it may be, and handing down unsullied to millions yet unborn the precious and priceless blessings we enjoy as British subjects, under the unstained flag of our fathers.

This, Mr. Speaker, is the faith, this the spirit needed to make our country great.

On motion of Mr. Forke the debate was adjourned.

On motion of Mr. Mackenzie King the House adjourned at 9.40 p.m.

SUPPLEMENT

(See Resolution of the House, page 5.)

THE BAKER MEMORIAL

His Excellency the Governor General unveils the Monument to the Memory of Lt. Col. George Harold Baker, M.P. (5th C.M.R.) killed in action June 2, 1916, at the battle of Sanctuary Wood.

Friday, February 29, 1924.

Members of the House of Commons, invited guests, including His Excellency the Governor General, and members of the general public, assembled in the Main Lobby of the House.

Chairman, Hon. Rodolphe Lemieux, K.C., Speaker.

The audience joined in singing:

O God, our help in ages past,
Our hope for years to come;
Our shelter from the stormy blast,
And our eternal home.

Under the shadow of Thy throne
Thy saints have dwelt secure;
Sufficient is Thine arm alone,
And our defence is sure.

O God, our help in ages past,
Our hope for years to come;
Be Thou our guard while life shall last,
And our eternal home.

The CHAIRMAN: Your Excellency, Ladies and Gentlemen: On the morrow of the eventful election of 1911, late in the autumn, parliament was convened at this very spot, under the gothic arches of the old building which soon after was to crumble and become but a memory. Amongst the new commoners appeared a young man of middle stature with an attractive expression of youth and strength combined. An early training of self-discipline and an exuberance of life blended into a harmonious whole made of him a winning personality full of vitality and charm. He hailed from the Eastern Townships, a picturesque country of rolling hills, dotted with sheets of placid and clear waters, where a luxuriant nature seems to fashion in her bosom the sterling character of her sons.

Harold Baker came from good lineage. His father long before him had, on the forum and in the legislative halls of Quebec and Ottawa, served faithfully and eloquently his country. The son had just gallantly wrested from a loyal and deserving public servant after a momentous battle, the coveted prize of his ambition.

The mandate of Brome was his and in his new career, like that of his forbears, he meant to devote many years of service to the public weal.

Three sessions passed. The House of Commons, busily engaged in enacting laws and solving problems, was hardly keeping pace with the ever-expanding forces of a young and progressive Dominion.

When all of a sudden, in the midst of a glorious summer, the first rumblings of a terrific storm were heard at a distance. From across the Atlantic, threatening lights were seen on the horizon and as hours and minutes fled, the impending storm had gathered and was soon raging from Halifax to Victoria.

The great World War was on us with its long and sombre periods of supreme trials, of hopes deferred, with its unending trail of holocausts on land, in the air and on the seas.

The youngest member of the House of Commons, Harold Baker, was one of the first to answer the call of duty. He saw that duty clearly before him and we, his colleagues, can well remember with what a radiant faith he joined the colours and bade us adieu.

As weeks and months elapsed, the yeomen gathered from the deepest recesses of this broad Dominion and the steady tramp of regiments began, as if marching in rhythmical order, with the roll of the drums. With unfaltering steps, the sun glinting on their bayonets, the first contingents reached Valcartier, impatient to board the Argosies bound for the battlefields of France all ablaze in the deadliest conflict ever witnessed between right and might.

Theirs was not a spectacular adventure. Modern warfare has lost that glamour which in centuries past stirred the imagination of peoples. When whole nations are aligned on the battlefields in a long maze of muddy burrows, war becomes anonymous. Officers and privates face the same dangers, they share the same fate. And so, in June, 1916, a brief and melancholy despatch brought us face to face with the grim and poignant realties of war. Lt.-Col. Harold Baker, our fellow member, had been killed in action at Sanctuary Wood.

The parliament of Canada, shocked, aggrieved at the sad message, felt deeply honoured at the noble example of manhood set by its Benjamin, and unanimously it resolved that another sanctuary, within its own precincts, would be dedicated to him, so that his memory would ever be enshrined with those laurels which since ancient times are the happy warrior's halo.

It is proper and fitting that Your Excellency, you who so gloriously led our Canadian boys to victory in one of the most strategic and decisive engagements of the long and bloody struggle, should be called upon to unveil this, the first monument erected in our Hall of Fame.

This bronze memorial is not only the artistic expression of the gratitiude of the nation to one dearly beloved. It is also a pious memento to all those young Canadians who, during four years of cruel agony, so prized liberty that to save it no sacrifice was for them too great.

It will stand here, at the threshold of the House of Commons, for all time to come, as a supreme lesson of the dead to the living—that love of country, devotion to duty, are not empty words or vain ideals.

It will vividly recall to future generations that the dropping volleys and the muffled drums signalling there yonder the sacrifice of so many precious lives, was also meant as a supplication to the world that hereafter the gigantic evil of war should be stopped before it got afoot.

Let that ideal for which our heroes laid down their lives be forever our guiding star. Then can it be said that from their exhausted frame buried in distant fields, their soul still radiates in our land—consoling the ones, stimu-

lating the others—a soul refulgent with that spirit of human brotherhood which two thousand years ago was heralded in the plains of Judea by the messengers of the Prince of Peace.

Then, and then only, will it be proclaimed that Canada, bereaved by the loss of her bravest, hath through their sacrifice gained in spiritualities; that as they dashed fearlessly into the fiery furnace they bequeathed to us, the living, a noble and lasting inspiration with a memory emerging from the perishable to immortality.

His Excellency the Governor General unveiled the monument, the guard presenting arms and the bugler sounding The Last Post.

Right Hon. W. L. MACKENZIE KING, C.M.G., P.C., (Prime Minister): Mr. Chairman, Your Excellency, Ladies and Gentlemen: The ceremony in which we are participators to-day is one of historic as well as personal interest to all present. It is very fitting that the first monument to be unveiled in these halls of parliament as reconstructed since the Great War, should be to the memory of a distinguished member of the Canadian House of Commons who was killed in action. It is scarcely less significant, and will indeed be deeply gratifying to all Canadians, that the unveiling of the memorial should be by His Excellency, Lord Byng, who was in command of the Canadian Corps during the action in which Colonel Baker fell, and who to-day is our Governor General.

We are proud that parliament has seen well to pay this tribute to the memory of one of her gallant sons, but we would greatly err if this memorial did not speak to us of something more than individual loss and individual sacrifice. It is personal in character, but it is also essentially symbolic. It speaks not of one member of parliament only who gallantly served his country overseas, but of the fifty or more members of the two Houses who enlisted at the time, many of whom served actively in France, and of the eighteen members of parliament who lost sons in the Great War. But it speaks of more than this. It speaks of Canadians, approximately 600,000 in number who enlisted for service in the Great War, and above all of the more than 60,000 who gave their lives as the supreme sacrifice of this nation in the cause of the World's freedom. Of one and all of these it can be said, as it was said of the late Colonel Baker in the legend that appears to the left of the bronze figure: "And thus this man died, leaving his death for an example of a noble courage, and a memorial of virtue, not only unto young men but unto all his Nation."

The wider association and larger significance of the memorial is emphasized by the words of the legend which appears to the right of the figure. To appreciate them in all their impressiveness we must recall that they were written by another distinguished Canadian who died of wounds received in the Great War, and whose remains lie, like those of Colonel Baker, in one of the military cemeteries overseas:

> To you from falling hands we throw
> The torch; be yours to hold it high.
> If ye break faith with us who die,
> We shall not sleep, though poppies grow
> In Flanders fields.

The legend to the left is our tribute to the immortal dead. The legend to the right is their command to us. The legend to the left comes to us out of the distant past, recalling that great company of the defenders of right and of the faith, who through the ages have revealed the God-like greatness of the human spirit and have entered into the fulness of eternal life. The words of the legend to the right will continue to speak to us through all the years that lie ahead, reminding us of the obligations we who are living owe to those who are gone and to whom in the words of another poet we said:

> Here—or hereafter—you shall see it ended,
> This mighty work to which your souls are set;
> If from beyond—then, whit the vision splendid,
> You shall smile back and never know regret.

Pray God we may be given strength and grace and guidance to be true to this greatest of all trusts.

Lastly, may I say that it will always be a source of pride and satisfaction to all who view this splendid work of art to know that it also is the creation of another distinguished Canadian, Dr. Tait McKenzie, who, though at present residing in the United States, was born in the near vicinity of Ottawa, and has remained a British subject. The excellence of Dr. McKenzie's art is recognized the world over, and we are proud that we should have this splendid bronze protrait of his as the first memorial to be unveiled in our parliamentary halls.

In a word, to-day's ceremonial is a noble expression of the many sidedness of our national life—worthy in what in art it has revealed of sculpture and of verse, great in its parliamentary traditions and military achievements, but noblest in all in the manifestations of the spirit of our manhood, a spirit that is ever ready for service, and that falters not at sacrifice.

Right Hon. ARTHUR MEIGHEN P.C. (Leader of the Opposition): The event of this afternoon is the first of its kind in our country's history. It has been the lot of other nations to have their legislators, their parliamentarians, even their kings put on the uniform of soldiers and go forth to battle and meet a patriot's death, but so far it has been the lot of Canada only once. George Harry Baker, a gifted, comely, companionable man; the youngest of the members of the House of Commons, the centre of the hopes of his associates in parliament, the trusted of everyone, the choice of a fine old constituency, the pride of an honoured family, heard the solemn call of duty at the outbreak of the great war—he answered and he gave his life.

Thousands went to battle with him and thousands died, but Colonel Baker left a scene probably more dear to the ambitions, more attractive to aspiring manhood, than any from which others tore themselves away. There were others in the parliament of that day who joined the colors and went too. Some of them are with us still and all of them have an honoured place in memory and in public regard. But Colonel Baker alone never returned. He made the final sacrifice; bequeathed to his country the heritage of a great example and left for the records of this parliament the legacy of his gallant name.

The character of Colonel Baker is reflected, perhaps best of all, in the letters he wrote home and back to Canada during his service overseas. These are embalmed in a private biography published by his friends, and will be treasured by all who honour his memory. They disclose a modesty of demeanor, a cheerfulness of temperament, a human kindliness and with a splendid courage; qualities every one that we well knew he possessed. "I make no profession as a soldier" he said at a banquet in his honour prior to his departure, "I lay no claim to special merit. My aim is to win the confidence of my men and to leave the rest to circumstances and the turn of events." The confidence of his men he won, a confidence which reached a degree of ardor and devotion rarely equalled in our military annals. The story of the struggle in which he lost his life is one of the most tragic and thrilling in all the long and ghastly but glorious history of war. For a day and a night it raged and on into the next a thundering, deafening, murderous struggle—a struggle perhaps more distinctly Canadian on the allied side than any previous engagement. The names of Maple Copse, Observatory Ridge, and Armagh Wood, places where the sanguinary contest was waged should be names forever remembered by the children of our Dominion. Companies went forward and bravely battled on after their arms had all but disappeared, many of their men deafened and blind, but discipline maintained to the end. General Griesbach, one of our Senators was there; General Macdonell, now Principal of Royal Military College at Kingston arrived also with his men on the scene, and General Draper whom we rejoice to see with us to-day—he too played a noble part. The figure of Harry Baker moving from point to point, making his dispositions for defence, cheering his men, encouraging them by his enthusiasm and his example, is the last memory which his batallion cherishes of their commanding officer. Brave to the last, smiling to the end, imperturbable, unselfish, full of cheer, a leader even in death, he illustrated how a soldier should battle and how gentlemen should die.

A brilliant career was cut short in its prime. All that man had to live for he left behind. A domestic felicity as sweet as ever enshrouded a life, he sacrificed; social position was his, this he sacrificed as well; a professional career already prosperous, this he abandoned, a public service splendid with promise, this too he left behind. The best that life had to offer he cheerfully surrendered that his whole duty might be done.

We are accustomed to regard such an early ending of a splendid young man as the lamentable close of a life of promise. But the story of Harry Baker is a story of achievements won, even more than it is a story of promise lost. His years of maturity were crowded with things done and well done, in private life, in professional life, in public life, and on the field of war. It is in the spirit of such a career more than in expansion of territory, or even in continuance of Empire, that there lies the imperishable glory of the British name. The names of our great men, spread over the centuries, treasured forever by our children, the light that shines for their example; these are remembered and have their eternal value long after the events through which they passed have been forgotten. In the wide circle of his friends, in the larger area of his activities and his influence in the Eastern Townships where he was reared and which he loved, in the Dominion which he served, and for whose honour he died, Harold Baker will be known as one of those men.

Mr. ROBERT FORKE (Brandon, Leader of the Progressive Party):

I feel almost unworthy to take part in this ceremony, as I was not privileged to have the acquaintance of the one whose memory we

would honour this day. It is well as it is fitting that ceremonies such as this should take place; that monuments should be erected to the glorious dead. As the years roll away and time passes, time with healing influence will soften the blow that fell so heavily upon many, when the Great War was taking its heavy toll of human life. To them this will ever remain—the memory of the great loss sustained. But others,—and it is the way of humanity,—the incidents of those trying years will only be a memory. Maybe in the pressing importance of everyday duty they may forget the great sacrifice made by our glorious dead; and it is seemly that ceremonies such as this take place, that Memorial services be held, Memorial Halls built, Tablets set up and Monuments erected—Lest we forget! Lest we forget!

It is well that a monument should be erected in this building where one whose memory we honour served his country by representing his constituency in parliament. I was not personally acquainted with this fine soldier and gentleman, but enough for me, he heard the call of his country, he did his duty and failed not.

This statue shall stand to-day and in days to come as a constant reminder of one who did his duty and made the supreme sacrifice. It will be an inspiration to members of this House to serve their country to the best of their ability, with singleness of purpose doing the duty that lies nearest to them. There will be differences of opinion, but let it be honest differences.

The story of the sacrifices our heroic dead made for liberty, for their country, will be forever one of the splendid pages in the history of Canada, and a glorious heritage for our children and our children's children, an inspiration to all who follow that they shall be worthy of the sacrifices made. "Greater love hath no man than this that he lay down his life for his fellow men."

Hon. Sir JAMES LOUGHEED K.C.M.G., (Leader of the Opposition in the Senate): It is with mingled feelings of sorrow and pride that to-day we pay this tribute to Lieut.-Col. Baker who for some years was associated with us in the parliament of Canada.

In the prime of his manhood, when life was clothed with its greatest attractiveness and promise, he heard the tocsin of war—the call of duty. All else was laid to one side and he responded with haste to the call of his country. He fell as a soldier and a fighting man would want to fall. He fell on the field of battle. In that world's conflict and clash of arms, the millions who died that we might have liberty, will live on through the ages. Their deeds are immortal, and while we shall die and be forgotten, they shall always be our survivors.

In this monument of stone and bronze erected by a grateful country, Colonel Baker will outlive not only those living to-day who sat with him in the Parliament of Canada, but this record of his gallantry and death, his life and his sacrifice, will pass down to our descendants as an outstanding and inspiring memory in the history of the Canadian parliament.

While we mourn his death, yet it is with patriotic pride that we think how gallantly he fell. When from time to time in these stately halls we view this monument commemorative of his death, we shall ask ourselves:

> And how can man die better
> Than facing fearful odds,
> For the ashes of his fathers,
> And the temples of his Gods?

Hon. Senator GEO. G. FOSTER, K.C, (Alma): Your Excellency, Mr. Chairman, Ladies and Gentlemen: From the hillside and valleys, from the villages and home lands of that beautiful district in the Eastern Townships in which Harry Baker was born, in which he lived his life, in which his heart was centered and from whence he marched to glory, I have been asked by his neighbours, as one of their sons, to bring a message of gratitude and appreciation on this dedication day to the members of the Senate and of the House of Commons.

It is not only because you have written in stone and bronze the features and story of the sacrifice of our hero; it is not only because you have added to the glory of the traditions of your parliament by preserving the details of his service, but it is because we know that without a dissenting voice two parliaments have unanimously joined in this noble tribute, and you have thereby spread his fame throughout our country by linking it with this magnificient structure. For all these reasons, our people are truly grateful.

I am quite certain that I am within the mandate entrusted to me and am voicing their wishes when I express to the four leaders of political thought, who have so generously honoured his memory, the gratitude that will be felt for them; and I can say that there will be written into the history of those Eastern Counties a true transcript of the patriotic lessons which may be learned from their utterances, and they will serve as an incentive for present and future generations to emulate the example of the hero of to-day, not only in case the country may demand a similar service, but in those other walks of life in which

public service is sure to be required. I am not going to attempt to add one word to what has been said of the history and sacrifice which has been referred to, but only to express the hope that as day by day we pass within the shadow of the monument we have erected we may remember the service which Colonel Baker rendered to Canada, at a time of great national peril, and that we, too, may emulate his example in our everyday service.

Permit me, Mr. Chairman, to express to you our gratitude for the kindly thought which prompted you to give this opportunity to Harry Baker's neighbours to take a part in this great national gathering.

The audience joined in singing God Save the King.

Adjourned.

Tuesday, March 4, 1924

The House met at three o'clock.

REPORTS AND PAPERS

Detailed statement of remissions of customs duties, excise taxes and sales taxes, year ended March 31, 1923—Hon. Mr. Copp.

Report of the Marine branch of the Department of Marine and Fisheries for the fiscal year 1922-23—Hon. Mr. Cardin.

Copy of Radiotelegraph Act and regulations issued thereunder—Hon. Mr. Cardin.

Report of the Fisheries branch of the Department of Marine and Fisheries—Hon. Mr. Cardin.

List of leases of Government wharves, piers, breakwaters for the year 1923—Hon. Mr. Cardin.

Summary of the harbour dues collected during the year 1923—Hon. Mr. Cardin.

HOME BANK INVESTIGATION

On the Orders of the Day:

Mr. A. F. HEALY (North Essex): Is it the intention of the government to restrict the inquiry into the Home Bank affairs to the years mentioned in the order in council?

Right Hon. W. L. MACKENZIE KING (Prime Minister): In drafting the order in council to which the hon. gentleman refers, the government took cognizance of the petition which was presented to it by the depositors of the Home Bank. The subject matter that was referred to the commissioner is the statements that are set forth in the statement of the depositors of the Home Bank. The government assumed that in referring to a commissioner allegations prepared and presented to the government by the depositors themselves, they were going as far, possibly as the depositors would think it necessary or advisable. Representations, however, have been made to the government that it might be advisable to extend the powers of the commissioner so as to include all the transactions of the Home Bank from the date mentioned down to the time of its failure, and the government intends to endow the commissioner with that power.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): The Prime Minister's language leaves indefinite the date back to which the investigation is to go. Is the government not prepared to have the investigation go back to the issue of the charter and the reasons and justification therefor?

Mr. MACKENZIE KING: The government is prepared to have the fullest possible investigation made, and if in the opinion of the commissioner it is advisable to go further than has been indicated, or if in the opinion of others it seems advisable so to do, the government will be prepared to take action accordingly in the public interest.

Mr. MEIGHEN: I am prepared to give my opinion now. I know no justification at all for limiting the investigation to special years. If a commission should be appointed to do this work, it should go back to the initial venture and have the public know all the facts.

Mr. MACKENZIE KING: I hope I made it clear that the only reason why the government made any mention whatever in the order in council of the particular years was that those are the years that are specified in the petition which the depositors presented to the government, and it was in referring that petition to the commissioner that the government had occasion to mention the years.

Mr. MEIGHEN: The public has an interest in the matter as well as the depositors.

Mr. H. C. HOCKEN (West Toronto): I would like to draw the attention of the government to the statement made by the liquidator that the Home Bank never had a banker as its manager, and I think that fact constitutes a strong argument for the investigation going back to the issue of the charter.

Hon. E. M. MACDONALD (Minister of National Defence): That is what is being done.

THE CIVIL SERVICE.

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): Is it the intention of the government to take any action at this session on the recommendation in the report of the Civil Service committee of last year?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The report is a somewhat lengthy one. I may say that the government has had the report under consideration and some action will be taken on it; but I could not undertake to say at the moment to my hon. friend how far that will go.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

Consideration of the motion of Mr. Kelly for an address to His Excellency the Governor General in reply to his Speech at the opening of the session, resumed from Monday, March 3.

Mr. ROBERT FORKE (Brandon): Mr. Speaker, in commencing my remarks, I should like to extend my congratulations to the mover (Mr. Kelly) and the seconder (Mr. Lapierre) of the Address who spoke yesterday afternoon. I can congratulate the mover of the Address upon his eloquence and upon the lucidity and, on the whole, the able way in which he presented his statements. I am not, of course, acquainted with the remarks that the seconder made, but I have no doubt he filled his position just as ably and well. I can quite sympathise with a new speaker who first rises to address the House, because I can well recollect the first time I rose in this place to make a few remarks. I am free to confess that I have not yet got over the nervousness that possessed me then; and, while I do not know how long my tenure may be I am beginning to become just a little afraid that that feeling is going to stay with me. I am not at all afraid of hon. gentlemen on the other side of the House, nor am I afraid of gentlemen to my right, and I know I have a great many supporters behind me; nevertheless I feel a good deal of nervousness in getting up to make an address. However, I have always been treated with kindness and consideration and I have no doubt I shall receive the same considerate treatment during the short time I shall engage the attention of the House this afternoon.

I was very much pleased indeed to see that His Excellency in the Speech from the Throne was able to make the statement that there were signs of returning prosperity in the affairs of our country. I doubt not that from a great many points of view this statement is true; and I am sure that every well-wisher of the country will concur in the statement I make now, that it is particularly pleasing that such should be the case at this time. I know very well that things are not as they ought to be, they are not as we would have them; but when we consider the number of Canadians who own Dominion bonds and who have savings bank deposits —which deposits have increased enormously in the last year or two—I think that we may infer from these facts, and from other conditions, that in some directions at any rate there is a returning prosperity. Unfortunately, however, this prosperity is in some respects sectional; it is evident only in some parts of the country. I am sorry to say that agriculture, the basic industry of the country, is not in a satisfactory condition. I am very well aware that world conditions have a good deal to do with the state of agriculture in Canada as well as in other countries at the present time. Nevertheless, I believe that there are certain conditions, certain disadvantages, under which agriculture is labouring to-day in this Dominion and which can be removed by proper legislation. Agriculture is perhaps in a different position from any other industry. It is our basic industry and its wellbeing affects every other calling, occupation and industry in the Dominion; and while, even with a depressed agricultural industry there may be a degree of prosperity in some particular places, in the long run the welfare and prosperity, or otherwise, of agriculture will react upon all these other occupations.

I have here a quotation which with your permission, Mr. Speaker, I shall read to the House. It is from the Montreal Gazette:

> The greatest wheat crop in the history of the Dominion was produced last year. The wealth of Canada has been increased by this abundant harvest and a stimulus has been given to the revival of business. With all this, the producers in the western provinces are still dissatisfied; they are still reiterating the complaint that they are being unfairly treated, that they are compelled to buy in a dear market and sell in a cheap one. So far as the East is concerned, there is no disposition to accord the producers of the West anything less than fair treatment. The interests of the West are the interests of the Dominion.

I might add to that, that the interests of agriculture in every province of the Dominion are also the interests of the whole country. Let me read just another short extract, from an editorial article in the Montreal Daily Star.

> Why do the farmers leave the West? The challenge of the West has got to be met. The immediate solvency of this country can only be preserved by insuring

the agricultural prosperity of the West. We must make farming—grain-growing—pay in the West, and we must do it soon.

The foregoing is the language of two Montreal newspapers, and I am sure that farmers everywhere in this country will endorse it. There has been a vast amount of wealth produced in the three prairie provinces, and on the whole, throughout the Dominion, there has been prosperity, so far as production goes, for the agricultural communities. But in the case of agriculture, as in the case of every other business, the question to the man who produces is, not how much wealth he produces, but what are his net returns when he has balanced his books at the end of the year. And unfortunately, while we have had a vast stream of wealth pouring from the western prairies, it seems to me a tragedy that those who are engaged in that industry have not sufficient returns from their labours to make life comfortable or as it should be for those who produce that wealth. To make this position plain I might quote a few figures which were submitted in the Manitoba legislature by the premier of that province. Premier Bracken points out that a bushel of wheat to-day is in price only a little higher than it was in pre-war days. In 1914 you could purchase a gang plough for $84, whereas to-day it costs $153. A mower in 1914 cost $57; to-day it costs $93—as a matter of fact, I know it costs $100 at the present time. A waggon could be bought in 1914 for $111; to-day the price of a waggon is anywhere from $160 to $180. Three farm implements that could be purchased in 1914 for $253 to-day cost $415. Now, when you realize that fact and remember that the price of a bushel of wheat is only just a little higher than it was a few years ago it does not require much argument to show what position the farmer is in with respect to the raising of wheat. There are other figures too, which I might cite. In 1912, 10 fleeces from a sheep would purchase a suit of clothes; to-day it takes 31 fleeces to purchase a suit of the same quality. It is needless for me to elaborate along this line, because these figures show quite plainly just exactly the problems the farmers have to meet to-day in carrying on their industry.

We must look facts squarely in the face. I am not a pessimist; I am not going to preach blue ruin, nor do I believe that Canada is going to the dogs; I believe that there is a great future before this country and before agriculture in this country, and I hope that as the years go on we shall see agriculture in Canada occupying the place which it deserves. If we reflect for a moment on world history we shall realize, I think, the fact that everywhere and at all times, in the case of every nation that has ever risen to prominence, whenever in a nation agriculture has begun to decay, the beginning of that nation's decay has occurred at the same time. Now, I have no idea that such a thing is likely to happen in this country. But if that be true of the nations as a whole, it is absolutely necessary that the agricultural industry in Canada should receive our very best attention.

Let me come now to the cost of doing business. I think the great complaint that we hear at this time all over the Dominion is the high cost of production, the cost of doing business; and going from one calling to another, from one industry to another, you find always that the excuse advanced is that so much has to be charged because the cost of doing business is so high. I would call attention to this fact. An industrial concern raises the price of its product to meet increase in costs; but the farmer to-day cannot say: I am going to charge more per bushel for my wheat because it costs me more to raise it than it did formerly. His product is sold upon the markets of the world, and consequently he has no control over its price. By reason of these conditions the farmer is at the present time at the bottom of the pyramid.

I wish I could convince everyone of the absolute necessity of placing this very important calling upon a solid basis. I know very well that changed conditions require new methods to cope with them. We sometimes get a good deal of advice handed out to us as to how we ought to help ourselves, therefore it may be well for me to tell hon. members what some of my neighbours are doing in Manitoba. There we realize that wheat-raising is perhaps a little precarious; at the same time it must be remembered that next year and for a great many years to come wheat-raising will continue to be the greatest industry of the prairie provinces. Let me say that the return from our western wheat is going to be one of the principal factors in paying the public indebtedness of this country. Nevertheless we have to realize the danger of trusting entirely to a wheat crop, and our farmers are rapidly turning their attention to what is called "diversified" farming; it used to be called "mixed" farming. Last winter I had the privilege of going out to a great many meetings in Manitoba, and I may tell hon. members that politics was not so much discussed as what improvements we could make in conducting our

business so as to get better returns. I mention this so that the House may know that the farmers of the west are alive to the situation. To me one of the most hopeful signs was the entire absence of any division between town and country. We found boards of trade, agricultural societies, Canadian clubs and farmers meeting together in public in the towns and villages of Manitoba to consider our economic condition and the best methods to overcome our present difficulties.

Sometimes we are told that farmers should adopt business methods. I quite agree that they should; and if there is anything to be said in favour of income tax returns I think it is the good effect resulting from agriculturalists being obliged to sit down and figure out their operations to know exactly how they stand financially at the end of the year. The other day I received a letter from one of the most intelligent farmers in Manitoba, a man of ability and integrity, who has kept accurate accounts for the past twenty-two years. I have his figures in my room, and I once thought of putting them on Hansard, for I think they are well worth studying by the House. It is not a discouraging story, on the contrary it is a story of progress during many years, of increasing wealth in a moderate way, but during the last few years the results are very discouraging. However, I am free to admit that on the whole the story is a very good advertisement for the province of Manitoba. I would add, Mr. Speaker, that this gentlemen has made only one great mistake in that long period—he accepted nomination at the last general election to support the party to my right.

In the Speech from the Throne the necessity of a reduction of taxation is emphasized. I think all of us are ready to say "Amen" to that statement. We all agree with it and will not in any way quarrel with the carrying out of such reduction. Sometimes we have been told that our criticism of the government last year was not severe enough. I hear that sometimes in the West. The Progressives are blamed now and then for having allowed such enormous estimates to go through without opposing them more vigorously than they did. I do not know whether anything more could have been done to reduce those estimates, but I do remember that many a speech was made from this quarter in which intimation was given to the ministers that we expected them to have their estimates cut down very considerably this year. Now we are patiently waiting to see what they have done to cut down the expenses of carrying on the business of the country, in the practice of that economy which we have been promised.

The figures of the growing cost of government are so familiar to hon. members that I shall refrain from quoting them. While I do not wish to see anything done that will in any way impair the efficiency of government or in any way work injustice to anyone in connection with the enforcement of economies, I think it is perfectly evident to anyone who has given the most cursory examination to the facts of the case that something can be done and something should be done to cut down our national expenses by a very large amount. The country demands economy, but I do hope that the economy effected will be a wise economy. There is such a thing as economy that is really extravagance, and whatever work is necessary for productive enterprises I trust that that money will be found. Such works are in the nature of necessities so long as they are actual productive enterprises.

I should like to see the main estimates brought down as quickly as possible so that we may have time to study and discuss them at length. I have found from experience that it is sometimes very difficult to criticise a particular estimate through not being familiar with the circumstances or not knowing the conditions under which the money will be expended. I rather suspect that when an estimate for a particular locality is before the House the member for the constituency in which the work is to be carried out, who knows the conditions and probably is best able to criticise the vote adversely, is not likely to take a very active part in so doing. We expect that the estimates will be cut very considerably this year to show that the business of the country is being carried on economically.

I think it is a mistake that so many supplementary estimates should be brought down in the dying days of the session, and I for one am prepared to protest most vigorously against the practice. I remember on the very last day of last session, the last night in fact, a vast amount of money was voted that, I am sure, no hon. member, except perhaps those who were presenting the estimates, really understood or had time to consider. I have had more adverse criticism and more complaints from people who are paying attention to our proceedings of what happened the last night of last session than in regard to almost anything else that engaged our attention. So I hope that we shall not have a repetition of the bringing down of large supplementary estimates in the last moments

of the session. We can get on with our work at the beginning of the session. I am new in parliament, but it does seem strange to me that there should be so much time to spend during the early weeks and months in which we might do business and that at the end of the session there is such a complete rush, the business being pushed through without due consideration. Let us get to work now. We are ready for our work; let us get on with the public business.

I want to say a few words in regard to the customs tariff—I suppose some hon. members have heard that phrase before; it has been a subject of endless controversy in this country and of a great deal of difference of opinion, and perhaps there is no subject that comes before the people upon which there is more confusion of thought. I do not intend to discuss it minutely or from any particular angle, but there are certain cardinal principles in connection with protection that I would just like to mention, and then pass on.

It is an accepted principle in everyday life that when you can do some particular kind of work well you make that your occupation; that is what you devote your attention to, and you are quite ready to exchange your work for that of some other man who is more interested in some other line of business. From such an exchange mutual benefit results. I submit that what is true of individuals can be equally true as between nation and nation, and that is one reason why I object to high protection as a barrier to the free interchange of goods between one country and another. Nearly four hundred million bushels of wheat will go from the West this year, most of it to find a market in the Old World. How is that wheat to be paid for? We are not going to buy anything from Europe; we are going to shut that market off; we are going to make ourselves everything that we need. Well, I would like to know what we are going to be paid with, what return we are going to get for that amount of wheat. The very a-b-c of economics will teach anyone that all trade is barter of goods, the exchange of commodities. Protection restricts markets. It cannot give employment; on the contrary, it shuts down employment. Reduce taxation by increasing the cost of living? Was any thing more absurd than the idea that by making goods dear you are going to reduce the cost of living? But why complain? Our exports last year amounted to the total of $1,028,319,-123. Our imports were a great deal less—$903,-530,515. What do the worshippers at the shrine of protection want? That seems to me quite satisfactory as far as it goes. I read an article in some magazine, written by the president of the Canadian Manufacturers' Association, and one of the questions which he asks is, how can farming be made to pay? Of course I was very anxious to hear what anyone had to say on that subject. Well, what was the sum and substance of the whole article? Increase the tariff! So simple—no trouble; just increase the tariff and nothing but unbounded prosperity will come to agriculture and to every other industry in this Dominion of Canada. Mr. Speaker, we have had sixty years of that doctrine and we are still wondering what is going to solve our problem.

I had some quotations here that I might have read, from some speeches by hon. members to my right, in regard to the free importation of certain implements, but I shall not read them, because I think those gentlemen when they made the statements to which I refer were perfectly sincere, and they have a perfect right to change their opinions whenever they wish to do so. I might have referred to a speech made by the right hon. leader of the opposition (Mr. Meighen) at Portage la Prairie, when he referred to the "ramparts of gold behind which the manufacturers were entrenched." But he also has every right to change his opinion if he wants to do so.

Mr. MEIGHEN: If the hon. gentleman will permit me, his geography is a little wrong; the speech was made in this House. At that time, however, the duty was very much higher, being under the government of Sir Wilfrid Laurier, but—

Mr. FORKE: If the right hon. leader of the opposition would make a speech of that kind in the House. I wonder what he would have said at Portage la Prairie?

Now, I want to say a few words in connection with the stand that this group has always taken in regard to the tariff. People who are talking about the demands of the Progressive party always lay great emphasis upon articles used by the farmers. But I do not think the members on this side of the House are so much excited over farm implements; what they are interested in is the duties upon the necessities of life. We are not selfish; we want nothing but what is in the interests of this whole country from the Atlantic to the Pacific. I have some sympathy for the Canadian manufacturers; I know something about the difficulties with which they have to contend. I might make a suggestion to the government: it would not be at all amiss to take the sales tax off the price of farm implements.

An hon. MEMBER: And everything else.

Mr. FORKE: I have no objection to taking it off all along the line, and I think that would not be a bad move, it would help the manufacturers. But I am going to make an appeal to the Canadian manufacturers of implements—I do not know whether they will listen to me or not. The Canadian manufacturer claims that he is not getting very much protection. No doubt he knows his business better than I do, but I know the feeling of the farmers and I am pretty sure that if the Canadian manufacturer of implements to-day would say, "I do not want any protection; I am going to give the farmers the benefit of free agricultural implements," such a sentiment would be created in favour of the Canadian manufacturer that he would very soon get that mass production that he says he wants. Do you know what the situation is to-day on most of the farms? I know what it is in the West and I have an idea that it is the same almost everywhere. In making up our income tax returns we are allowed ten per cent depreciation upon our implements. Do you know that there is hardly a farmer in the West who in his tax returns to-day is allowed any depreciation on his implements?—for the reason that his implements are all over ten years old; legally they are dead and gone, out of existence, but he is still carrying on with them, doing the best he can; he is letting acreage go out of cultivation rather than buy new implements. If that sympathetic feeling could be cultivated to-day, I am sure that a vast amount of new machinery would immediately be bought, and with the mass production that would result the implement manufacturer could, I think, get along very well almost without protection.

I have no quarrel with the Canadian manufacturer. I think the farmer and the manufacturer ought to be in the same boat; there ought to be a bond of sympathy between them, because the welfare and prosperity of the one reacts upon the welfare and prosperity of the other.

The trouble to-day is not over-production but lack of consumption. Inability to buy, that is the trouble in Canada to-day. I do not know what the Massey Harris Company, for instance, are turning out to-day, but I have no hesitation in saying that they are not turning out over one-third of the machinery they were turning out ten or fifteen years ago. Now something must be done, and something can be done, and I am sure it would be done if a proper view were taken of the situation. I am not offering this as a panacea for all ills; I am only throwing it out as a suggestion to the manufacturers. I know something about Canadian implements, and I know very well that the implements made in Canada are just as good as, if not better than, the implements made anywhere else in the world at the present time.

Another matter that is mentioned in the Speech from the Throne is national unity. I think that was referred to somewhat sarcastically last night, but maybe I am wrong. It seems to me this is a question on which everyone should be terribly in earnest. It is something that we ought to consider very seriously to-day. What hopes, what grand ideas we have had for the future of this Canada of ours, and at this late day are we beginning to talk of national unity? Is there any danger that East and West shall fall apart? We have heard mutterings in the West and some in the East, but I for one hope we shall hear no more of them, that that shall be a thing of the past, and that henceforth we are going to march forward as a united country seeking only the welfare and happiness of the people of this whole Dominion. But, Mr. Speaker, in the final analysis national unity must be based upon national justice. That is the only solid basis upon which we can build up a great and prosperous country. Is wealth to be centralized in any particular spot in this Dominion? I for one do not want to see this a country of millionaires and paupers living side by side. I want to see it a country of moderate wealth, widely distributed over this Dominion, and no section will long continue to pay tribute to any other section of the community.

I want to say this, and I say it in all seriousness, that high protection if persisted in will not spell prosperity, but in the long run it will spell disaster for this Dominion. Somtimes the United States is pointed out as a bright and shining example of what protection has done for a country. There can be no comparison in any way between the position of Canada and the position of the United States. The United States to-day, in some of its parts, at all events, is not in just as prosperous a condition as it might be. We know that agriculture in the United States, even with its vast home market, is unable to carry on with any great degree of prosperity.

I want to say a few words upon the question of transportation, and I have another short extract here that I want to read. It is taken from an article written by F. W. Cowie, B.A., Sc., M.E.I.C., entitled Transportation Routes in Canada and their Relation to Enduring Production. He says:

There are few subjects, at the present time, of more acute public interest, and none more vital in connection

with enduring production in Canada, than transportation routes, and the urgent demand for a reduction in the price of transportation. Tax payers look with distrust at any suggestion of a new transportation route. On the other hand ugly facts regarding production stare us in the face.

Agricultural production, in western Canada, which otherwise offers such limitless exportable resources, is reported to be in danger of not enduring, on account of profitless returns as compared with competing countries where transportation to markets, pays a lower price—

I want to draw your attention particularly to this remark because I believe it is absolutely true:

The merchant whose desk overlooks the great harbour, and whose visitors smack of the sea, is no more concerned with international trade, than the farmer a thousand miles from the seaboard.

Now if the cost of moving goods is exorbitant it simply dries up the channels of trade. It is like the hardening of the arteries in the human body. It simply means that in the not far distant future the whole course of business will come to an end. Reduction in the cost of transportation is an absolute necessity in this country. Sometimes a thing may be an absolute necessity and yet not be within the bounds of probability. However, I do hope that there may be some method and some way adopted whereby we can reduce the cost of transportation, because I believe that upon the solving of this problem the future prosperity of our country to a very large degree depends. We want the shortest and the cheapest routes to be utilized. We sometimes speak about our Canadian harbours. I want to see all the trade possible brought to our Canadian harbours. I want to see every harbour used to the extent that it is possible to use it with economy and to the best advantage.

I want to say a few words about the Hudson Bay railway. I know a great many gentlemen in this House are anxious to get a little more information in regard to this very much needed enterprise. In fact, I know that two members in this part of the House have taken the trouble during the recess to go over the Hudson Bay route, examining the condition of the roadbed, viewing the harbour and all the improvements that have been made up there, and if we seem a little exuberant in this part of the House over the building of the Hudson Bay railway, give us credit at least for trying to get all the information we possibly can upon this undertaking. I hope one of these gentlemen at least, and perhaps both of them, will tell the House what they saw and the condition of things generally in connection with the Hudson Bay railway. They came back with a fine story, that there was a grand country up north, that it was well worth building a railroad into if for no other purpose than colonization, that there was great wealth up in that northern country. All over the west during this last year there have been meetings held by boards of trade and resolutions passed by agricultural societies and other bodies. In the city of Winnipeg we have organized to-day a "Build the Hudson Bay road" society. I want the government and hon. members of this House to understand that not for one moment can this subject be downed, because the West is determined to have the Hudson Bay railway built, and it will be built, I believe, in the not far distant future. Bear in mind that a great many people have expressed a well-founded opinion on the feasibility of this route. For over three hundred years the ships of the Hudson's Bay Company were passing in and out of that harbour, and they had very, very few accidents in all those years. However, I think this subject will be dealt with at another time.

Another matter that is mentioned in the Speech from the Throne is the satisfactory showing made by the Canadian National Railways and the progress they have made during the past year. I think every lover of our country must rejoice in the fact that we see these roads on the way to prosperity. Year by year the conditions are improving and in the not very far distant future I believe we are going to have a valuable system of railways in this country in the possession of the people.

There is an idea, and it is not original with me—it has been mentioned quite frequently in this House—and that is that the over-capitalization of the National Railways ought to be written off and a re-valuation made, which would represent the actual value of the road, and in that way the Board of Management would be given an opportunity to show what could be done under government ownership of railways. At the present time the railways are loaded with money that was misspent, money that might just as well have been thrown into the sea. That expenditure was a national loss and the nation will have to stand that loss ultimately anyway, and it seems to me it would be good business to write down that over-capitalization to a figure that the railways actually represent. That would encourage the Board of Management and the people, and perhaps make it possible in the not far distant future to have a drastic cut in freight rates over the roads. I would like to say in connection with the Board of

Management that sometimes we see criticism of the board, but I think everyone who wishes well for these railways was agreed that the Board of Management ought to have a free hand, without any political manipulation or influence over them, to show what they could do and to see whether it was possible to make of that system a paying proposition. It seems to me that the Board of Management have done well. I think they have done just as well as could be expected under the conditions. That they have made mistakes, no one can deny. It is very human to make mistakes, and is there anyone in this House who is able to cast the first stone? So I do hope from this on that all political manœuvring and party advantage will be lost sight of in connection with the railways, and that every member of this House will be anxious to see that the Board of Management and the Canadian National Railways are given a fair chance. I do not suggest that they are not getting a fair chance. I hope they are, but I can assure you, Mr Speaker, that the country will not stand for anything that will jeopardize the future welfare of this great enterprise. I sometimes think there might be something done in the way of a committee composed of members of all parties in this House who could perhaps take under their peculiar care matters affecting the Canadian National Railways—anything in the world to prevent the railways from being made a partisan matter on the floor of this House, anything that will get parliament working harmoniously together to see that the railways prosper.

Now just a word in regard to freight rates on the Great Lakes. We are told that provision is to be made that freight will be carried at the very lowest rate from the Great Lakes to the ocean, and from the ocean to Liverpool. When I think of the conditions last fall and what took place on the Great Lakes, it does not fill me with very much pride. I think that Canadians as a whole might rather feel humiliated over what happened on the Great Lakes last fall, and no matter what part of the House hon. gentlemen may sit in, I think the conditions reflected equally upon the whole parliament of this country. It seemed to me—and I know something about what was taking place at the time the bill dealing with lake freight rates was going through the House—a statement was made to me that might explain something that took place in the fall when the bill came into operation—that there was a contest between the government of Canada and the interests; and when I say "the interests" I do not use the expression in the sarcastic way which is sometimes employed in this House; but when it came to a contest the people had to haul down their flag and make arrangements that would suit these gentlemen in connection with the carriage of lake freight. I give the government credit for the attempt that was made in this connection. I think that attempt was sincere and well meant, but it was futile because the interests were stronger and more powerful than parliament.

Some hon. MEMBERS: Oh, oh.

Mr. FORKE: Well, I am expressing my own opinion; and I can assure the government that they will get all the support it is possible for us to give them if they come to grips with an organization repeating any such demands as were made on the Great Lakes last fall.

Now, let me say a word or two in connection with the subject of ocean freights. I was not very well satisfied with the answers given last session by the Minister of Agriculture to questions regarding what was being done with respect to the carrying of cattle over the ocean when the embargo against the admission of Canadian cattle into Great Britain was lifted. I cannot say what the reason was for the nature of the replies that we received, but they were not altogether satisfactory. Let me issue this warning to the government—perhaps the admonition may be unnecessary; they may be taking all adequate steps—that we are not going to be again put in the ridiculous position we formerly found ourselves in: when we fought for years and years to get the embargo against Canadian cattle removed, only to find that a line of freight boats was going to be inaugurated which would charge to the limit of what the service would stand. There can be, and there ought to be, steps taken to prevent any such unfortunate position as that. Surely enough ships can be found in Europe to transport our cattle at reasonable rates. I do not care what flag these vessels fly, but I do say that ships should be provided to transport our cattle at the lowest possible rate.

I am not going to say anything in particular on the subject of the Canadian Government Merchant Marine. I expect the vessels of that marine are still afloat, and are still doing good service. However, I should like to make this suggestion, I did the same thing in connection with the Canadian National Railways: We all understand the conditions under which the Canadian Government Merchant Marine was built. The ships were constructed at a time when costs were excessive, and the vessels involved a much larger expenditure

than should have been the case. We will not enter into any discussion at the present time as to the reasons for this excessive cost, or why such a course was entered upon. It does seem to me, however, that it would be a wise proceeding to see whether the merchant marine could not be put on a sound basis and the transaction converted into
4 p.m. a profitable one. After all is said and done I am not convinced that these vessels are so useless as some of my hon. friends have tried to make the House believe.

A word or two now in regard to immigration. I know that my own opinions on this question do not exactly coincide with the views of some of the members even on my own side of the House. Nevertheless I feel impelled to make this statement: I do not for one moment think that putting up the bars against imports and then pulling them down in some other place, or letting in immigrants indiscriminately is going to solve our present difficulties. At the same time I do believe that a sane policy of immigration would have that happy result in the case of a great many of our troubles. I shall not rehearse the rather depressing story about the numbers of people that are leaving this country and crossing to the other side. Mr. Speaker, so long as Canadians live beside a nation which numbers one hundred and ten millions there will be, at all times, a certain drift of people into the United States. The attraction which numbers holds out, the operation of the law of gravitation, will have its influence and there will always be a movement of that kind to a greater or lesser extent. As to the question "Who goes to the United States?" let me say this: I had the privilege after the last session of parliament of visiting the city of Kingston and speaking there to the students of Queens University. I had the pleasure of attending the banquet of the graduating class of that year. I looked at that splendid gathering of young men and young women, bright, intelligent—oh! nothing finer in this Dominion—and the thought came into my mind, "Here are perhaps, a hundred young men and women of whom fifty per cent may cross the line in a very short time to seek an outlet for their energies, for their abilities, and for their education." That this seems to be the case is, to me, one of the tragedies of the present situation. I do not know just how we can cope with such a situation, but every attempt should be made to render conditions in Canada as attractive as possible in order that young people of that fine character may be induced to remain in their native land. I have often thought that if we could get some young men with intelligence, with education, and with initiative power out into our farming districts of the West to take up agriculture there as their life work, it would be a great blessing and a great advantage to that community. Unfortunately we do not find them there; the conditions are not such at the present time as to attract anybody who has any ambition whatever. "'Who comes and who goes?" I am afraid sometimes we are losing a very fine type of people. I am not blaming the government for this, I am not blaming anyone; I am looking conditions in the face and trying to find a remedy for them.

I have spoken of those who go. Now as to those who come. I have already said that I do not want to see a policy of indiscriminate immigration adopted. Do you know that in the three western prairie provinces the Anglo-Saxon people—and you might include with them those of the French race—are in the minority? Whatever the future of those provinces may be, the population is not going to be of Anglo-Saxon or of French descent; it is going to be something we know not what, and we want to be careful how we start out with foreign stock. I am not at all afraid, but we have at the present time just about enough to absorb of that description in our western prairie provinces. By all means, let us have immigration—immigration of the right sort. Get me young men, young women also, healthy and willing to work, coming from Great Britain, Scandinavia, France. I would not be afraid of Germans either at this time. They are all right; they will make good citizens in time. I will take all the immigration of that kind we can possibly get. The first thing we want to be careful about is to make conditions suitable for the people when they come here. Taxation is one of our problems; transportation is another, and the doubling of our population would go a long way towards solving those two problems. Conditions may not be just what they ought to be in Canada; but when we think of the 2,000,000 unemployed people in the British Isles to-day, we should not be afraid of inviting them here to work. Canada is all right; our country is as good as it ever was; we have just as much faith in it as we ever had, and notwithstanding the present difficulties which we are encountering, I have no fear at all for the future of our country.

In reading over the Speech from the Throne, I was rather sorry to see that when mention was made of the Bank Act, no notice was taken of some of the agitation that was going on in the country during the last year. Just the day after the Bank Act was passed last

year, we had a statement given out by the Union Bank of Canada in regard to withdrawing $4,500,000, I think, from its rest account to cover up losses. Then we had the amalgamation of the Bank of Commerce and the Bank of Hamilton, and finally the failure of the Home Bank. All these brought about a great deal of unrest, discontent and dissatisfaction with banking arrangements in Canada. Throughout the country during this last year a discussion had been going on whether anything further could be done than was done in the amendments that were made to the Bank Act to make those who deposit their money in our chartered banks more secure than they have been in the past. This matter is worthy of attention. I remember making in this House last year the statement, a sort of prophecy, that when the Bank Act went through, it would not last for ten years, and I think I see my prophecy coming true. Something should and, I think, will be done to make more secure those who have money deposited in the care of the chartered banks of our country. Mention has been made of the commission that has been appointed to inquire into the losses sustained by the depositors in the Home Bank. I listened to the questions that were asked this afternoon, and I hope the report of that commission will come into this House in time to afford us an opportunity of discussing it.

In regard to the branch lines that it is proposed to build in connection with the Canadian National Railways, there is an old saying that "hope deferred maketh the heart sick." I am sure our hopes have been deferred long enough, and out on the western prairies there are many people whose hearts are sick from deferred hope of railway communication to bring them within the pale of civilization. The farmer and his wife and family marooned on the wide prairie are surely deserving of our sympathy. If the lines are constructed in the proper places, this will represent not merely an expenditure of money, but a capital expenditure that will produce great returns in the not far distant future. This is a duty which we owe to those people. They have been taken in there and put in that position and they have been promised railway facilities. They have been waiting on year after year until they are heart sick waiting for some relief in that direction. I hope no party manipulation or political wire-pulling in any way will prevent the House from voting money to construct those lines. I am not going to absolve the government entirely from blame for some of the things that took place last session. The matter might have been carried out differently and some of the difficulties that arose avoided. Let us, however, forget that, get down to business now, and see that the proper facilities are given to the people out in those western prairie provinces.

Another subject I might mention—I suppose there will be other opportunities of discussing it—is the soldiers' civil re-establishment, the soldiers who have been put on the land. I can speak only for the province of Manitoba, but all is not well. Some of the reports that we receive seem to be quite satisfactory, but I can assure this House that a great deal of hardship and suffering is being endured at this time by those returned soldiers. It was a great satisfaction to me to have a small part in the ceremony that took place in this building at the beginning of the session, a ceremony that I am proud to think upon and upon which I am sure all our memories will dwell with pleasure. But I could not help thinking at the time when we were paying to the dead that honour to which they are entitled, and while our hearts were full of thankfulness for all they did for us, we should remember those who came back, and who are struggling to establish themselves to-day and who are finding themselves in dire difficulty and distress. When I consider the position of the farming population of to-day, I know men, without particularising individuals, who own their implements, stock and everything else, and who yet have a hard time to make ends meet. Our soldier settlers were placed on the land at a time when land was high in price; they bought their stock, implements and everything else at exorbitant prices. So, how in the world can we expect them to make a living? I know there are kind hearts in this House; that we want to do justice; that we want to do right, and I sincerely hope something will be done to ensure that those men get a better and fairer deal than they are receiving at the present time. No matter whether the country loses money in the transaction, we owe this to those men.

Another matter to which I wish to refer is the peculiar condition in which we find parliamentary parties almost everywhere in the world to-day. We find governments being carried on with a minority of the House. That is a condition which we find here, a condition which we find in Great Britain, and I believe, whatever may be our private opinions, whatever we may wish, two parties or three—and I know many people will say two parties are satisfactory—from this time on, I do not think it is at all likely that we are ever going to see a gov-

ernment with a complete majority of the House. It is, therefore, about time that we were beginning to take these matters into consideration. It seems to me absurd that upon a matter of minor importance a government cannot afford to be in a minority vote in this House. That is not good sense; it is not good business, and I believe regulations should be made in accordance with the present condition of things everywhere in the world at present. If a straight vote of want of confidence should be moved against the government and the government is defeated, there is nothing for the government to do but to resign. That is sufficient notice that it is not wanted any longer. I mention this because, as hon. members know, the Prime Minister of Great Britain said that he was not going to be manipulated by wire-pulling to resign unless he felt that conditions warranted his resignation. These are things worth while thinking about, and it is time the Parliament of Canada was beginning to take some of these matters into consideration.

There is a great deal of anxiety to find out where the Progressives stand in this parliament to-day. I do not know why there should be any such anxiety. The Progressive party stands where it has always stood since coming into this House; the Progressives are ready to support progressive measures whenever such measures come before the House. If the government are prepared to present these measures for our consideration they know that they shall get our support; if they do not, then they will have to take the consequence. We have an abiding faith in the principles of equality of opportunity and equal justice to all sections of the country. We are willing at all times to trust the Canadian people, with sincere belief in the ultimate triumph of democracy.

Now, Mr. Speaker, I beg to close the few remarks I have made with a quotation which I have taken from the speech of the right hon. the Prime Minister of Great Britain. I know I am unworthy even to use his language, but it is so beautiful and seems to express so well a sentiment in which I firmly believe that I am going to quote to the House his words:

> The shield of love and the spear of justice will still be in the hands of good and upright men and women, and the ideal of a great future will still be in front of our people. I see no end, thank God, to these things. I see my own horizon, I see my own skyline, but I am convinced that when my children and my children's children get there, there will be another skyline, another horizon, another dawning, another glorious beckoning from Heaven itself. That is my faith, and in that faith I go on, and my colleagues go on, doing in their own life what they can to make their generation contribute something substantial to the well-being and happiness and holiness of human life.

Mr. J. S. WOODSWORTH (Centre Winnipeg): Mr. Speaker, we listened yesterday for some time to the leader of the opposition (Mr. Meighen) and then to the Prime Minister (Mr. Mackenzie King) making charges and counter-charges of a rather serious character, including political bribery, misrepresentation, extravagance and sectional policies. Both these are honourable gentlemen, and I fancy that their statements must be accepted as substantially true. Possibly that is the reason why these newer groups are being sent to the House. About all that we who are in the minority here, can do, is to present as faithfully as we can the opinions of the people who return us to this House.

Reference was made in the Speech from the Throne to the Imperial Conference and the Imperial Economic Conference. May I be permitted to express the belief that the greatest event which has happened in the Empire during the past year has been the attainment of office by the British Labour party. Any thoughtful man will recognize that this is not merely the coming into office of a new political party but that it rather represents the emergence into public life of a new set of ideals. It is very significant indeed that the last speaker (Mr. Forke), the leader of the Progressive party in this House, should have closed his speech with a quotation from the Prime Minister of Great Britain. Since, perhaps, we have not had a very full understanding of the position of labour, I should like to quote one or two sentences from the constitution of the British Labour party Its objects are national, inter-Dominion and international. It proposes:

> To secure for the producers, by hand or by brain, the full fruits of their industry and the most equitable distribution thereof that may be possible upon the basis of the common ownership of the means of production, and the best obtainable system of popular administration, and control of each industry or service; * * * to co-operate with the labour and socialist organizations in the dominions and the dependencies with a view to promoting the purposes of the party, and to take common action for the promotion of a higher standard of social and economic life for the working population of the respective countries; * * * to co-operate with the labour and socialist organizations in other countries and to assist in organizing a federation of nations for the maintenance of freedom and peace, for the establishment of suitable machinery for the adjustment and settlement of international disputes by conciliation or judicial arbitration, and for such international legislation as may be practicable.

I desire to call attention to a paragraph or so taken from the manifesto which was issued to the people of Great Britain. I do so because I believe that the attitude of the present

government of Great Britain will have its very decided effects upon the policies of the various Dominions.

The Labour party challenges the tariff policy and the whole conception of economic relations underlying it. Tariffs are not a remedy for unemployment; they are an impediment to the free interchange of goods and services upon which civilized society rests. They foster a spirit of profiteering, materialism and selfishness, poison the life of nations, lead to corruption in politics, promote trusts and monopolies, and impoverish the people. They perpetuate inequalites in the distribution of the world's wealth, won by the labour of hands and brain. These inequalities the Labour party means to remove. * * * The Labour party proposes to restore to the people their lost rights in the land, including minerals, and to that end will work for re-equipping the Land Valuation Department, securing to the community the economic rent of land and facilitating the acquisition of land for public use. * * * The Labour party is working for the creation of a commonwealth of co-operative service. It believes that so far only a beginning has been made in the scientific organization of industry. It will apply in a practical spirit the principle of public ownership and control to the mines, the railway service and the electrical power stations, and the development of municipal services. * * * Labour's vision of an ordered world embraces the nations now torn with enmity and strife. It stands therefore for a policy of international co-operation, through a strengthened and enlarged League of Nations, the settlement of disputes by conciliations and judicial arbitration, the immediate calling by the British government of an international conference, including Germany, on terms of equality to deal with the Versailles Treaty, especially reparations and debts, and the resumption of free economic and diplomatic relations with Russia. This will pave the way for disarmament, the only security for the nations.

I think perhaps that members of this House will be in a better position to judge of the arguments and policies which we attempt from time to time to put forth in this corner of the House, if they understand that we have been working very much along the lines proposed by the Labour party of Great Britain co-operating with the international organizations of which it forms a unit.

Before I speak to the more general questions relative to economic conditions in Canada, I propose to introduce a particular matter which has been of very great concern to our working class population. I refer to the situation in Nova Scotia among the miners and steel workers. A commission has recently reported on the conditions there, but the Speech from the Throne contains no intimation whatever that any definite action is contemplated. We had a royal commission in 1920, we have had boards of inquiry and conciliation, we have had special inquiries, we have had the military sent down to that province twice within the last two years, and yet the conditions remain, if anything more unsatisfactory than ever. I say this in full view of the fact that recently the miners have returned to work. These inquiries and commissions have revealed wretched housing and sanitary conditions, abuses connected with the company's stores, unsatisfactory working conditions, low wages and irregular work, and in the case of the steel workers long working days of eleven and thirteen hour shifts, with every other week twenty-four hours on end. These unsatisfactory conditions prevail notwithstanding the fact that Canada was a signatory of the Peace treaty under which the workers were supposed to be given an eight hour day.

The employees have been investigated. I would suggest that it is about time that the employers, the British Empire Steel Corporation, should be investigated, and I would urge upon the government the appointment of a parliamentary committee that would go fully into these conditions which have been causing so much trouble to the authorities and such hardship to a considerable section of our people. This committee might very well investigate the abnormal profits of the corporation during the war, government contracts and subsidies, the absentee management with its officials alleged to be incompetent and superabundant, the fact that real costs and profits have often been concealed through contracts between constituent and subsidiary companies, and the amount of watered stock in the corporation.

About a year ago there appeared in the Toronto Star a series of articles dealing with the situation in Nova Scotia. One or two excerpts which suggest that the real investments of this company are not sufficient to warrant the large profits that the management insist upon taking out of the business may be of interest to hon. members. The writer says that the promoter in the first instance:

—estimated the cost of his plant at $6,000,000 at the outside. He then bonded it for that amount; and on top of that issued $15,000,000 in common stock. This original $15,000,000 of common "watered" stock is represented in the existing issues of Besco stock by $6,000,000 of common stock and by $13,500,000 of seven per cent second preference, on which the dividends are accumulative liability.

That was in the early days.

Fourteen companies of various grades of importance go to make up Besco. When the fourteen went into the caldron they owed in stocks of various kinds a little under $83,000,000. When the merging process had been completed these $83,000,000 had been transmuted into just under $102,000,000.

* * *

To pay dividends on nearly $102,000,000 of stocks should be a sufficient task for the men who have to manage an industry which must meet the world competition in the steel and coal trade. But before they can begin to do this they have to meet prior charges on over $31,000,000 of mortgages of various sorts. Thus the total amount on which the managers of Besco must struggle to pay interest is about $133,000,000.

But the addition of this $19,000,000 of "water" was not the only addition which the Besco promoters made

to the burdens of the men who have to make the industry pay. One of the most striking results which an analysis of the Besco consolidation yields is the transformation of common into preferred stocks that took place. In the Besco process common stocks were reduced from sixty-three to twenty-four millions while preferred stocks rose from nineteen to seventy-seven millions.

* * *

The result of this transformation process has been the addition of charges of over $4,000,000 to the annual liabilities of the industry.

These are the statements of Mr. Francis A. Carman, who made a special investigation of the situation.

Now, the claim has been made that higher wages and more satisfactory conditions could not be given because of the financial position of this company. We find in the Montreal papers of February 1922 the annual report of the British Empire Steel Corporation. It reads:

The total earnings of the property, after deducting all manufacturing, selling and administrative expenses, amounted to $4,444,346.

Mr. R. M. Wolvin, the president, said:

After the provision of amounts required to pay all dividends accrued upon first preference stock of the corporation and the preference and preferred stock of constituent and subsidiary companies outstanding, there remained a balance of $1,031,031.07 at credit of surplus account on the 31st December, 1923. This amount added to the surplus of constituent companies carried forward $21,784,870.32 makes a consolidated surplus, $22,815,901.39.

I would submit, Mr. Speaker, that at least a decent living wage ought to be the very first claim upon the earnings of a corporation of this character.

As late as January 31st our newspapers gave the report of the commission which had been investigating the situation in Newfoundland. At a time when important negotiations were in progress between the Newfoundland government and the company, ex-Premier Squires received $46,000 from funds of the Dominion Steel Company. The action was approved by Roy Wolvin and other high officials. The people of Nova Scotia are asking: Is the Newfoundland government the only one involved?

Mr. CARROLL: Does my hon. friend not know that Mr. Walker, of England, is investigating that very question in Newfoundland at the present time? The receipt of the $46,000 does not appear to have been proven yet, and the investigation is about half through.

Mr. WOODSWORTH: Certain admissions have already been made. My point is that this with the other matters which I have mentioned might very well be investigated by a parliamentary committee appointed at this session. When we find these vast natural resources of Canada under the control of an autocratic company and the large majority of the workers deprived of any voice in the management of their own affairs, I wonder whether we can claim that we have in any measure succeeded in establishing democracy in this country. I venture to quote a paragraph or two from a recent book by Viscount Milner, The Questions of the Hour:

The real gravamen of the charge against our present industrial system is not that it involves an unfair distribution of the product, but that it mismanages, misdirects and therefore unduly limits production itself. * * * Such results are inevitable as long as the investment of capital, determining as it does the nature and distribution of employment, is governed wholly by considerations of individual gain. * * * They (the wage earners) have nothing whatever to say as to the direction of capital, upon which their employment depends, yet they may at any moment be reduced to penury by its misdirection. * * * Over at least four fifths of the field of national industry the supreme direction is still exclusively in the hands of the moneyed class, and is entirely out of the control, and indeed beyond the ken, of the great body of producers. * * * There is nothing sacrosanct in the present divorce of the great body of producers from the ownership and control of the instruments of production. . . it is of comparatively recent growth.

Again and again during the past few years the workers of Nova Scotia have attempted to obtain some redress, and I think it perfectly proper to bring their case before this House, which is supposed to safeguard the interests of all the citizens of Canada. They have appealed to the provincial governments; they have appealed to the federal government. Two years ago they asked for a royal commission that would investigate thoroughly the whole situation. Their request was refused. A year ago they came asking for pensions for their aged miners who were helpless after long years of work. I believe that all they carried away from Ottawa was a copy of the Prime Minister's book, Industry and Humanity. They have sought to secure representation in parliament, but they claim that owing to gerrymandering, by which two counties were thrown into a two-member constituency, it has been made very difficult for the industrial workers to secure representation. They further claim that owing to a roorback, false appeals which were circulated immediately prior to the election, their candidate at that time, Mr. J. B. McLachlan, was defeated. I am not going into these matters. I should like this House to know that the miners claim that it has been impossible for them to obtain representation on the floor of this House. So they have been driven again and again to the strike as the only weapon which they could use. Their position in this matter has been entirely misrepresented. It was misrepresented by the papers a year ago. In

a more recent strike, we were told that they had broken contracts. They maintain that according to a decision of the Supreme Court of Nova Scotia given a year ago they were free to cease from their work.

That brings me to a question that has been of very great interest to the workers of Canada from coast to coast, namely, the arrest and conviction of J. B. McLachlan, the secretary of the miners. I am very glad indeed to give credit to the government in that within the last two or three days an order has been issued for the release of J. B. McLachlan on parole. It has not been generally known that the other six men who were arrested and convicted at the same time were released some time ago. I understand that Mr. McLachlan is still in Dorchester penitentiary. Whether or not he will accept his release on ticket-of-leave, I do not know, but although his release may be a certain kindness to him and to his family, it by no means goes far enough, because he still stands as a criminal. For what was he arrested? Because he wrote a circular letter which he sent out to the different unions, protesting against the brutal action of the provincial police of Nova Scotia. He stated how this force of provincial policemen had ridden down men, women and children who were going peaceably about their business. I have here—I will not take the trouble to read them to the House—statutory declarations which were presented to the commission which recently reported, substantially corroborating the statements which Mr. McLachlan had made. He was charged with spreading a false tale, and also with sedition. He was taken to Halifax, and the charge of spreading a false tale was dropped; it was found that his tale was all too true. The authorities then proceeded with the second charge, that of seditious libel. I am not going to weary the House by going into the history of the law of sedition. It is an obsolete law; it was not used in England, or very rarely used, for nearly one hundred years. The safeguards which have existed in this law up to 1919 were removed by a bit of vicious legislation which was rushed through this House at that time. Essentially sedition, although not defined in the code, consists in the criticizing of public authorities. I submit that if half as serious charges had been made by the right hon. leader of the opposition (Mr. Meighen) out in the open as he made on the floor of the House yesterday, he could be charged under this law of sedition, and for the life of me I do not see that anything could save him. But surely we have got beyond the time when authorities are immune from criticism. We are surely supposed to be living in a day of democratic institutions, and if authorities are not doing the right thing they ought to be criticized. There have always existed men of heroic mould who are willing to stand up and claim their rights, and Mr. J. B. McLachlan, I believe, is one of these. It is ninety years since in Nova Scotia a man was tried for sedition. Then a man was haled before the courts and accused of being "a wicked seditious and ill-disposed person, a person of most wicked and malicious temper and disposition." That man is now regarded as one of Canada's greatest sons, Joseph Howe. But he was able to say at that time, in connection with his trial:

> And here I may be permitted to thank heaven and our ancestors, that I do not stand before a corrupt and venal court and a packed and predetermined jury.

Was J. B. McLachlan able to say that? He had been taken from his own home county and sent off to be tried in Halifax, a city which through the papers and through false representation had been poisoned against the miners through a period of many months, if not years. Further than that, his case was dealt with by judges many of whom up to the time of their elevation to the bench had been very closely connected with the coal companies. I am not for one moment accusing these judges of wilfully prostituting their office, but I say that men who for many, many years have been financially interested in certain concerns might find it very, very hard to dissociate themselves from certain points of view which they would almost inevitably have acquired. I asked, when in Nova Scotia, concerning the judges of the supreme court, and I was told that the corporation influence on the bench was so strong that the court is looked upon by labour as a company department. At least four judges were very closely connected with the companies in New Glasgow before their appointment to the bench.

Chief Justice the Hon. Robert E. Harris was president of the Nova Scotia Steel and Coal Company shortly before his appointment. Mr. Justice Mellish, the trial judge in the McLachlan case, received his appointment in a manner which makes him an outstanding corporationist on the bench. His appointment was made shortly before the criminal trial of the Dominion Coal Company officials for causing the New Waterford explosion. The New Waterford explosion took place at New Waterford, C.B., N.S., on July 25, 1917; some 65 or 70 men losing their lives by it. The men contended the explosion was caused through negligence of the corporation and its officials, and an information was laid. The

then Mr. Mellish was a member of the firm of McInnis, Mellish, Fulton and Kenny, Halifax, N.S. This firm were the chief solicitors, as their successors are to-day, for the Dominion Coal Company and the Dominion Steel Corporation, before the merger of these and other companies into the Besco. Mr. Mellish appeared in court on all their actions. This information being laid, the office of McInnis and Mellish was preparing the case for the companies involved. Shortly before the trial, Mr. Mellish received his appointment as Judge of the Supreme Court of Nova Scotia. His first important work on the bench was to hear the New Waterford explosion case at Sydney, the defence of which he had prepared for the companies, and their officials, Mr. Hector McInnis, senior in his law firm, being chief counsel for the defence on the trial at Sydney.

Mr. Justice D. D. McKenzie, a puisne judge of the court, was, previous to his appointment, the local solicitor for the Nova Scotia Steel Company, at North Sydney, and was very closely in touch with Besco.

Mr. Justice Ritchie, previous to his appointment, did work for the Dominion Coal Company. Whether he was a permanent solicitor or not, I just do not know. However, he appeared in some cases on their behalf.

Mr. Justice Rogers, previous to his appointment, was a partner of Henry, Rogers, Harris and Stewart, Halifax, and solicitor for the Nova Scotia Steel Company.

The other judges on the bench are Justices Russell and Chisholm, neither of whom had known relations with these companies.

Perhaps I should add that the Nova Scotia workers point out that the Minister of National Defence (Mr. Macdonald), who is officially responsible for the troops being sent to Cape Breton, has been, if he is not still, the solicitor for the coal companies. Now, Mr. Speaker, if anything more were needed to destroy the respect for the impartiality of the courts it was suplied by the congratulatory telegram sent by Besco to the Attorney General of Nova Scotia.

I regret to say that not only was there no intimation in the Speech from the Throne that any action was to be taken to give relief to this large body of people in Nova Scotia, but further there is no intimation that any action is to be taken with regard to the iniquitous legislation which was placed on the statute book in 1919. The Prime Minister intimated yesterday that several of the measures which had been passed by this House last year were to be reintroduced. But he did not suggest that the amendment to the Immigration Act was to be reintroduced. I have still hopes that the government may consider this matter; That is why I am bringing it before the House to-day. The necessity for this legislation, without going into details, I can bring before the House by reading a resolution passed at the last annual convention of the Ontario section of the Canadian Labour party:

> That, whereas, during the post-war hysteria in the year 1919, there were passed in the federal parliament amendments to the Immigration Act; amendments to the Criminal Code; amendments to the Naturalization Act, which, in effect, deprived all citizens born outside of Canada, including British born, of the right of trial by jury, which removed the constitutional safeguards of freedom of speech, freedom of press, and freedom of assembly, and which rendered acquired Canadian citizenship valueless; therefore, be it resolved, that this convention of the Ontario section of the Canadian Labour party urge the two Labour members and the Progressive members of the federal House to put forth every endeavour to have this undemocratic and un-British legislation removed from the statute books of Canada.

I am glad to note that this convention called upon the Progressives to aid in this work. I would like to believe that the Liberal party of Canada has still a sufficient respect for the old Liberal traditions that it would feel that at this session of the House it could carry out the objects of the resolution which I have just read.

In his day, Joseph Howe was fighting against an iniquitous institution known popularly as The Family Compact. He is honoured to-day as others of the older stock of Canadians have been honoured, because they so bravely took up this fight. I venture to say that J. B. McLachlan and others who are fighting against the great trusts which have grown up over all this Dominion are fighting against a more dangerous and menacing institution, or series of institutions, than that of The Family Compact. The Prime Minister is rather fond of boasting that his grandfather was a rebel. Unless he is very careful the Prime Minister's grandchildren will not be able to boast that concerning him.

The Speech from the Throne suggests that there have been many evidences of increased prosperity in Canada. I may say that I have spent a good part of the recess in travelling across Canada from coast to coast. Possibly I did not meet the same class of people that those who are responsible for the Speech from the Throne met, but I must confess I have failed to see these alleged evidences of increased prosperity. I am not a pessimist. I think it is unfair to characterize those of us who point out defects as pessimists. I would like to think that I am a realist and believe in facing the facts as they are. In my own

province of Manitoba conditions have been so serious that during the past year some 131 schools with 141 class rooms have been closed, very largely owing to the economic conditions of the rural districts.

Just here I might say it does seem to me that the school trustees of Manitoba were right when they suggested that it might be necessary that the federal authorities should, in some way, subsidize education in the various provinces. I am quite well aware that education is a matter of provincial concern, but it seems hardly fair for the federal authorities to introduce large numbers of immigrants and at the same time to allow economic conditions to prevail which drive large numbers of people out of the country, without their assuming some responsibility for the social and educational needs of those that are now here.

That same suggestion applies with regard to the great question of unemployment. We are told that the employment situation is distinctly better. Well, if that is really the case, what is the reason? The large emigration to the United States, I suppose, coupled with the fact that the government immigration machinery has not yet got into full motion. My own city of Winnipeg last year expended the sum of $150,000 in relief work, in relieving some 7,447 cases. The civic authorities expressed the view last year, and they still feel, that the Dominion government should give some assistance in caring for these who required relief on account of their having arrived comparatively recently in Canada. In Vancouver, as early as October 3, there was sent out to the prairie provinces—I am reading from the Winnipeg Tribune of October 3—this warning to unemployed to stay away from Vancouver:

> Warning to Unemployed.
>
> Stay away from Vancouver, B. C. This Winter.
>
> 4,500 men have gone from Vancouver and district to the harvest fields, and there still remain more than sufficient to meet all local requirements.
>
> Conditions are already bad throughout British Columbia.
>
> No relief work at all will be provided this winter.

I would simply submit that this would be splendid immigration literature. Under the prevailing conditions Toronto has had returned harvesters on its hands. Then, as late as the 26th February I received from the Building Trades Council of Hamilton an urgent request that something should be done. The statement is made:

> The workers seem to have used up their nest-eggs during the previous winter. Many of the cases we have personally known have not eaten meat for weeks.

Furthermore a committee in Montreal as late as February 28, reports 25,000 unemployed in that city. In Ottawa we are told by the Social Service Commissioner that there are 2,400 persons receiving relief. I do not know how many unemployed there will be after the civil service reductions have been completed.

The harvest, we are informed, is the most bountiful in the country's history. Yes, but let me ask, what about the net return? I have seen passing through Winnipeg day after day continuous trains of cars loaded with wheat going eastward, but all the cars that return are empty, which indicates pretty much the situation that prevails in the West.

We are informed that there is to be a reduction of taxation. We have yet to learn how, and how much. What we need essentially in Canada is the reduction of the enormous load that is now crippling industry. We have the war debt, and there has been no suggestion put forward by the government as to how that tremendous load is to be lessened. In fact, it seems that we shall be driven to adopt the old principle of the economists, that "those shall pay who are best able to pay." If that principle is to be put into practice we shall have an extension instead of a lessening of the income tax, we shall have the establishment of an inheritance tax, we shall have the adoption of a tax on land values and the values of other natural resources thus giving the people more ready access to these.

5 p.m.

We are told that there are to be certain tariff re-adjustments. Just what these are I do not know, but I would suggest that the tariff re-adjustments must be accompanied by other measures, or their results may prove disastrous. It may very well be, if the privileges of certain industries are taken away from them without other corresponding changes in our system, that there will result very great hardship indeed. We all recognize that manufacturing in this country is difficult because of the high overhead charges, including all kinds of inflation, and because of the taxation and the high cost of living. What we need to do to-day is to adopt some system by which these costs may be lessened and industry may be able to go free. In fact I have sometimes thought that the greatest financial need of to-day is the raising of the mortgages that press so heavily upon industry of every description. I wish we had something in the nature of what we are told about in the Old Testament, the establishment of a year of jubilee when the slaves and the debtors could go free. If that could be brought about once I am sure there would be prosperity in Canada.

It is intimated that there is to be strict economy in the administration of the public service. That is capital. Everyone will agree that nothing could be better. But when the statement goes on to call for rigorous retrenchment in the public expenditures, I think we shall have to say that the wisdom of this policy all depends on many things. There is an old proverb which says:

> There is that scattereth, and yet increaseth; and there is that withholdeth more than is meet, but it tendeth to poverty.

Mr. McMASTER: And, "The liberal soul shall be made fat."

Mr. WOODSWORTH: "And the liberal soul shall be made fat." I suppose the crux of that question is as to what constitutes "a liberal soul."

Mr. MARTELL: It is a good soul if it is truly Liberal.

Mr. WOODSWORTH: May I quote a sentence or two in this connection from the report of the ordinary general meeting of the shareholders of the Midland Bank Limited, as reported in the London Times of January 26, 1924. The Right Hon. Reginald McKenna said on that occasion:

> When national output is below productive capacity the policy should be to let money out: When production is at a maximum, the outflow of money should be checked, and if inflationary symptoms have appeared money should be withdrawn. * * * We have deliberately to make up our minds as to what we want.
>
> If we mean to get rid of unemployment we must have more money in existence to take up the increased production.

This, of course, refers particularly to bank policy, but it is equally true of a government policy in dealing with financial affairs. As Mr. J. A. Hobson maintains in The Economics of Unemployment:

> The proper provision against trade depressions and unemployment lies in strengthening the consuming powers of the community, so that effective demand for consumable goods may keep full pace with every increased productivity that arises from improvements in the arts of industry; and the strengthening of consumption is obtained by a better distribution of the product of industry.

The Speech from the Throne makes incidental reference to the Home Bank, and there is to be provision, we are told, for the appointment of a commission. May I ask the question that has been asked very generally across Canada—Why not an investigation by parliament itself? Perhaps we on this side of the House are apt to feel just now that no group was more speedily justified than those of us who last year attempted to secure greater security for the shareholders and depositors of the banks. It was stated that there was no need for the adoption of an amendment which I myself put forward, that there should be government auditors. If I remember aright the Minister of Finance (Mr. Fielding) told us that he had consulted with the bankers and that they did not consider government auditors necessary. We feel further that we were quite justified in asking that there should be a full investigation into the whole of the credit system. We trust that the recommendations of last year's committee will be carried out this year.

In closing, since it is very difficult for a small group such as we are, through the motions and amendments which are brought forward adequately to express what our viewpoint really is, I venture to summarise very briefly.

In view of the enormous national debt with its heavy interest charges; of the high taxation, much of which results in the transference of wealth from the many to the few; of the burden of overhead charges which is crippling industry and commerce; of the deplorable condition of agriculture owing largely to tariffs, high freight rates and inadequate credit facilities; of unemployment resulting from a lack of purchasing power sufficient to absorb production; of the continued emigration of our people; of the instability of our banks as revealed in recent mergers and failures; of the concentration of economic power in the hands of a small group who are able to direct the policy of industry for their own financial gain, rather than toward supplying human needs:

And also in view of the fact that Canada possesses abundant natural resources; sufficient plant equipment—now working below capacity—to convert our raw material into consumable commodities; a plentiful supply of labour to man the plant equipment; and ample national credit—based on our national resources and the productive power of our people—more than sufficient to finance every necessary industrial and commercial enterprise:

We urge that during the present session of parliament steps should be taken towards:

(a) the establishment of a proper system of taxation by which our natural resources will be made more readily available for the use of the people:

(b) the operation under co-operative and democratic management of our plant equipment, thus providing more abundantly for the needs of the people:

(c) reforms, or reorganization, in our financial system by means of which more equitable distribution may be secured:

(d) the basing of our foreign trade policy and international relations on the clear recognition that the world has become an economic unit in which the welfare of each nation is dependent upon the welfare of all others.

Hon. CHARLES MARCIL (Bonaventure): Mr. Speaker, I do not intend at this time of the afternoon to follow the hon. member for Centre Winnipeg (Mr. Woodsworth) in his remarks concerning labour conditions in England, labour conditions in Nova Scotia, and those prevailing in the different cities in Canada. My attention was drawn somewhat to conditions prevailing in the cities of Montreal and Toronto and other places near Ottawa where we have some knowledge of what is taking place at the present time. He complains that in those large cities there is unemployment during the winter season. That has been one of the drawbacks of Canada since Canada has been in existence. We have seasonal occupation. In Montreal, with which I am familiar, as I have lived there most of my life, every fall and early winter there is an invasion of people from the country districts who have been engaged during the summer in navigation, in farming, railway construction and so on, and who enter the city for the purpose of wintering there. That condition has prevailed at all times. It prevails in Winnipeg; it prevails in Ottawa; and it will prevail generally throughout Canada until we find seasonal occupations during the winter season. An attempt has been made in that respect through the western country, and from what I have been able to gather, I understand that it has met with a measure of success. In Montreal, at the present time, the building trades are occupied with trying to solve that problem of carrying on building operations during the whole of the winter so as to prevent those large numbers of workmen from being unemployed during the winter season. That is one matter which will have to be solved with time and with the experience which has been gained. No government can be blamed for that condition of affairs, no more than can any government be blamed for the emigration of Canadians to the United States.

This is my twenty-fifth session of parliament that I am beginning now and I have heard that discussed over and over again at all times. I have more particular knowledge of the province of Quebec, where I was born and brought up than of any other part of Canada, and I well remember away back fifty years ago when I was a mere boy, that

[Mr. Woodsworth.]

farm houses in the valley of the Richelieu, farm houses in the valley of the St. Lawrence were closed for one, two, three years while the farmer left with his family to enter the manufacturing towns of the New England states, to make up for what he was unable to extract from his farm. They went there by the thousands. I believe to-day there are not less than 2,000,000 Canadians, three-quarters of them of French-Canadian origin, who now inhabit the eastern states. In some cities they have almost a majority. They have elected lieutenant governors. They have elected mayors of cities. They have some of their own numbers at the head of the largest enterprises in the New England states. In some cases in the state legislatures they constitute if not a majority, at least one-half of the representation. The late Curtis Guild, a former governor of Massachusetts, told me twenty years ago when I was honoured by the Canadian Club of Boston by being asked to deliver an address there, that at that time there were enough Canadians and descendants of Canadians, mostly from the Maritime provinces, to control the election of the mayor of Boston. Therefore, this exodus from Canada to the United States has existed at all times. It has been accentuated during the last year or two because of the industrial boom which has taken place in the United States and with which all readers of the newspapers are familiar. Higher wages attract the workmen especially during the winter season when unemployment is the rule in Canada, and they go from all parts of Canada to the United States. From my own constituency a stream of young men left for Detroit to work in the automobile factories there. Some of them made a success of their trip; others were there for a time; but the majority of them have come back, because there is a lure of the home land which cannot be found elsewhere. The great drawback, however, of Canada is that we have lost many valuable sons and daughters who have gone to other lands, chiefly to the United States, and whom we should have kept here. But as the leader of the Progressive party (Mr. Forke) has said, as long as the United States remains as it is, it is impossible to believe that the day will ever come when that great magnet will not be an attraction for Canadians. The only solution for that problem which we have is to try to keep our people at home by giving them employment here, realising that a Canadian is a man who is born or brought up in this country and who is enamoured of the country and that a Canadian is worth

two men who come from the outside. I heard the leader of the Progressive party (Mr. Forke) a moment ago refer to immigration in the West. Immigration is not a burning issue in my constituency nor was it ever of any great consequence there. The same is true, Mr. Speaker, of the constituency you represent. Both you and I, Sir, represent in this House—you have done so for almost thirty years and I for nearly a quarter of a century—the oldest part of the province of Quebec, that spot where Jacques Cartier landed before he ascended the St. Lawrence and proceeded ultimately to Quebec and Montreal. That part of the province of Quebec, the Gaspesian peninsula, comprises some ten thousand square miles, the size of an ordinary kingdom or two of Europe, and it has never been the centre of attraction for immigrants. They all pass by the shores of Gaspé and ascend the St. Lawrence, going on to Ontario and the West. The Gaspé country, I say, has no attractions for settlers coming from Europe. An attempt was made some years ago by the provincial government to establish some Belgian farmers in the backwoods of St. Charles de Caplan in my constituency, but the poor people who came in almost perished the first winter. They all departed in the following spring. No; we shall never have immigration into the Gaspé peninsula because the people who make a success of life there are the rugged woodsmen and fishermen, who are to the manner born; they are indigenous to the soil, so to speak, and can stand a temperature of 25 or 30 degrees below zero. They spend the winter in their lumber shanties and with their axe hew out such farm land as is necessary for the young settler and his family. That is the class of people who inhabit that country; they do not come from Europe and they never will. Those immigrants who come to Canada from Europe are attracted to the fertile fields of the western plains, where they are told that in a year or two there is a crop awaiting them. I do not blame them because I know that the same attraction exists for the Americans who come across the border.

We have had problems discussed in this House, some of which I am sorry to say have not been solved to this day; but others have been solved by the common sense of the Canadian people, because under our form of government there is a solution for every grievance no matter what its nature may be. We have difficulties at the present time, and one of the outstanding difficulties is the paucity of the population as compared with the great burden we have to bear as a result of our participation in the war. It was my good fortune when commissioner of Montreal three or four years ago to receive, along with my colleagues, that eminent man who played such a great part in the world war, Cardinal Mercier. His visit was a very transient one; he was merely passing through the country on his way elsewhere. He was not as familiar with Canadian conditions as we should have liked him to be, because his visit was originally intended for the United States. But when we told him of the extent of the participation of our Canadian people in the world war he was amazed to learn that 600,000 Canadians had gone overseas and that this country had incurred a debt which was truly bewildering. The distinguished prelate could hardly conceal his astonishment at learning the extent to which we had gone into the war.

Now that things have calmed down and the events of that time have passed into history, and many of those who participated in the debates then have disappeared from the scene, we may admit that we probably overdid matters in the war in our enthusiasm to do our share. We probably sent to the other side many men who should not have been sent, many who were unfit for the trenches, many who were unable to do the work which they were called upon to do. We probably incurred a great deal of indebtedness which we could have avoided if we had had the wisdom we now have. In one of the last speeches of the late Minister of Militia, who was so energetic in organising the first and second contingents to Europe, that gentleman declared that every dollar spent in the war was wasted, because war was waste from beginning to end. However that may be, we have to face the conditions to-day and we must bear them.

There is no man who is familiar with the state of affairs in this country at the present time, who knows its natural resources and knows the spirit of the people, who doubts for a moment that Canada will meet all her obligations. The Canadian dollar stands at par in the markets of the world; it stands practically so in New York; and this is a matter for gratification when we remember that the countries of Europe have witnessed the depreciation of their currency to the extent that we have seen.

The solution we must find is to do away with any misunderstanding which may exist, as some have said, between western and eastern Canada. I was glad to hear the leader of the Progressive party declare that so far as he knew there was no reason why there should be any cleavage between the two great portions of this country. The salvation

of this Dominion lies in a united Canada. We may have differences of opinion; we may kneel at different shrines; we may speak different languages. But our aim should be one, the union of our people and the building-up in this North American continent of a great nation equal to the ones from which we have sprung. I heard the hon. member say that in some provinces of the West the people of British stock, together with the French Canadians,—because after all they are practically Britishers too, equal to if indeed not better than some Britishers—find themselves to-day in the minority in the West amongst the people who have come from other countries. That is a matter which the government cannot very well overlook. It should make certain that at all times there is a majority of people in this country who have been brought up under British institutions and who can be assimilated into Canadian citizenship.

The House was no doubt pleased, as I am sure the country was, to learn from the lips of the Prime Minister, (Mr. Mackenzie King) of the great improvement which has taken place in our finances, in business and in transportation, and in matters generally of common interest to the country. Now, two years and a few months is a very brief period for a new administration to undertake to put its house in order after the country has passed through such an ordeal as this country experienced from 1914 to 1921. True, the war ended in 1918; but the three years that followed, with demobilization and the responsibilities which were imposed upon the country, was a terrible ordeal for a country, and this government accepted a heritage such as was never bequeathed to any other administration. The leader of the Progressive party said a moment ago that the government found itself in the minority at the present time. Well, the leader of the opposition, (Mr. Meighen) did not care to put that question to the test. So far as we have gone I have reason to believe that if the Speech from the Throne is adopted, and I have no doubt that it will be, if the broad lines therein laid down are followed out, this government is no longer in a minority; far from it, it will have an overwhelming majority in the House, because the Speech from the Throne appeals to the common sense, the patriotism and the honesty of every hon. member. We all have in view the betterment of the country's finances and the solution of our railway difficulties; we desire to see an improvement in the transportation problem and an increase in our population, together with a stabilization of finance. These are all questions on which we can agree. We may differ as to the methods by which they are to be settled, but undoubtedly we all have these things as a part of our aim in the fulfilment of our duty.

I must congratulate the government, and I know the great majority of this House will do the same, upon having realized the great responsibility placed upon it and that economy —not economy, as we might say, in the stopping of productive expenditure, but economy in stopping waste, no matter where it exists —is about to be introduced. This is absolutely necessary in the present condition of the country.

Our exports and our imports are increasing, our business generally is good. The feeling between the West and the East is improving. Changes have been hinted at in the tariff, The Canadian government is composed of men who are familiar with the various conditions prevailing in Canadian industry to-day, and we may depend upon them to see that any change made in the tariff will be such as will benefit the whole country, and that no deliberate step will be taken to wound or fatally destroy any of our industries which have a reason to exist. Changes in the tariff have to be made carefully after proper consideration, and if they are brought about, as they should be, in the interests of the whole people, they will be accepted as such, because manufacturers as well as farmers must take the sweet and the sour; they cannot expect that tariffs will always be favourable to their views.

The hon. member for Centre Winnipeg (Mr. Woodsworth) has spoken of the conditions prevailing in some communities, in the course of which he referred to the overhead charges and the long hours of labour, but I did not hear him make any reference to the high wages prevailing in some of our cities. The manufacturer says that these high wages are a drawback to him in meeting the competition of the American and the English manufacturer. He claims he is paying higher wages than are paid in some parts of the United States, but more especially higher wages than are paid in Great Britain. I would be the last man in this House to advocate the reduction of the wages of a working man, because I am somewhat familiar, having lived for many years in a large city, with the conditions he has to put up with, especially if he is rearing a large family, and this has been the rule rather than the excep-

tion in our province. Therefore I would be the last man to take away a farthing from a working man who is bringing up a family. On the other hand, it might be good policy to ask working men, who are more familiar with their own conditions than we can expect to be, whether very high wages naturally and necessarily mean prosperity for them. If the cost of living is to increase in consequence of the high wages that are being paid, where is the advantage to the working men? Would it not be better to make a gradual readjustment, in the course of which wages would be reduced as well as the cost of living? We all remember when Canadians used to work for $1.50 a day. When I was a boy running around the lobbies of the old House the men across the river in the Booth and the Eddy mills used to work for $1, $1.25 and $1.50 a day of ten hours, and they were perfectly happy and just as prosperous as their successors to-day who are earning from $4 to $8 a day. The value of the Canadian dollar then was one hundred cents; to-day we are told its value is fifty cents. So the working man to-day is probably not as well off as in the old days. These are conditions we are not all familiar with, but which need to be studied before any legislation is enacted, and I have enough confidence in the intelligence of the present administration to realize that no deliberate step will be taken to injure any portion of our people, but that they will be guided solely by the main object of the good of the people as a whole.

We have heard a great deal from the West. Other members will speak for their sections of the country; it is my right and duty, Mr. Speaker, to refer more particularly to my own constituency. In so doing I am sorry that I must bring up an issue which I have discussed many times in this House. In the Gaspe peninsula transportation is the great question, as it is in western Canada, and as it is no doubt in other parts of the Dominion. Lately a Roman Catholic bishop has been appointed to the See of Gaspe, which has one of the finest seaports in North America. I am referring to Monseigneur Ross, whose grandfather was a Scotchman, but who met the fate that all Scotchmen meet when they marry French Canadian women. He gave up the Gaelic language and started to speak French. He is a young but distinguished man and has undertaken to give the Gaspe peninsula some of the many things which it is lacking. One of these is education, another is the development of that part of the province of Quebec. He has been seconded in his efforts very heartily by the government of the province in so far as their jurisdiction extends to the improvements he has in view. He is building a seminary there, he is building schools, and at the present time he is negotiating with the Trappist Fathers at Oka to establish an industrial school so as to extend to the Gaspe people the benefits of agricultural instruction. He is carrying on a campaign of colonization of the land. But he has told you, Mr. Speaker, and he has told me, and he has told the people publicly, and he has told Sir Henry Thornton at a meeting to which I shall refer in a moment, that all this work will be in vain if the railway situation in that country is not brought to a solution. I know the attitude taken by the present government, that the railways are out of their control, having been handed over to the management of Sir Henry Thornton and a board of directors. I with the majority in this House voted for the placing of the National Railways in the hands of a commission having at its head a distinguished man; and Canadians to-day are familiar enough with Sir Henry Thornton to know that he is a distinguished man in every respect, and that we have been very fortunate in securing his services.

When the question of bringing about a change in the railway situation in our district became acute, I suggested to Monseigneur Ross that the best thing would be to bring Sir Henry Thornton into the constituency in order that he might become familiar with the people and the natural resources and he came on your invitation, Mr. Speaker. The Gaspe peninsula is not on the main line of travel. If it were it would be to-day one of the finest strategical points in the Dominion. As you go to the Maritime provinces you cross the Restigouche river at Matapedia and the Gaspe peninsula is left on one side. When Sir Hugh Allan promoted navigation on the St. Lawrence he contemplated making Gaspe a port of call for all steamers, and then having fast trains established so that mails could be delivered practically between Detroit and Chicago by the time the steamer reached Quebec. But political influences at that time prevailed. Sir Hector Langevin represented the county of Rimouski and he had the port placed at Father Point; the late Senator Landry got a quarantine station established in his constituency at Grosse Isle, and so on: in a word, Gaspe was neglected. But one day the construction of a railway was undertaken on the Gaspe coast. Sir Charles Tupper was Minister of Railways, and Sir Hector Langevin asked the Dominion parliament in 1884 to vote $400,000 for the construction of a branch line along the Gaspe coast from Matapedia to

Gaspe. Thereupon construction was undertaken of a branch line to connect with the Intercolonial railway, running from Matapedia to Paspebiac and ultimately to Gaspe Basin, a distance of two hundred miles. This was some eight or ten years after the Intercolonial railway had been completed. The cost of construction of the Intercolonial had been some $40,000 a mile, which was considered very excessive. The Dominion government undertook to construct the first ten miles of the Baie des Chaleurs railway—an historic railway—but when those ten miles had been completed, the government was prevailed upon to give up the construction of the railway to a private company, the claim being that it could carry out the construction cheaper than the government could. Unfortunately for the Gaspe people the enterprise was handed over to a local company which undertook to complete the railway. It had at its head a very distinguished man in those days, the late Senator Robitaille, who became Lieutenant Governor of the province of Quebec and represented my constituency for some fifteen years in this House. He was also at one time Receiver General of Canada. It had also Mr. Riopel, a former schoolmate and lifelong friend of the late Sir Wilfrid Laurier and a member of this House for a number of years. This may seem to be ancient history, but I wish to insist, Mr. Speaker, upon this point: that the government of Canada led the people of the Gaspe peninsula to believe that the two constituencies of Gaspe and Bonaventure would be linked up with the Intercolonial railway by a branch line or feeder the construction of which had been projected. This private company built the first eighty miles and after the subsidies were gone it went into insolvency. When I had the honour of being elected to this House in 1900, with the aid of Sir Wilfrid Laurier we completed the remaining twenty miles, bringing the road down to New Carlisle. You had the honour, Mr. Speaker, of representing at that time the only constituency in Canada which had not one mile of railway, and it was only natural that you should ask on behalf of your constituency an extension of this railway from New Carlisle on to Gaspe Basin, another one hundred miles. Sir Wilfrid Laurier thought the request was reasonable and had the ordinary subsidy voted to an English company which undertook to build the remaining one hundred miles from New Carlisle to Gaspe Basin. We now have a continuous stretch of two hundred miles of railway from Matapedia to Gaspe, owned by two different companies, administered by trustees for bondholders, who declare that in view of certain legislation passed here in 1911, under which an order of the Railway Commission takes precedence over first mortgage debentures, they are unable to raise any further moneys to improve the road and to give the Gaspe and the Bonaventure people the service to which they are entiled. Our Progressive friends in the West ask for $28,000,000 for the building of branch lines, but our position is that we have branch lines but we cannot get from them the service that the people should have. Sir Henry Thornton, with his staff, came down to Bonaventure on his return from the opening of the dry dock at Courtenay bay, and he was amazed at what he saw. He and all his staff were very much interested in the Gaspe peninsula, finding it to be one of the most attractive parts of the province of Quebec. There was no hall large enough to accommodate all the people who had been invited by his lordship Bishop Ross of the diocese of Gaspe to attend a meeting in connection with the improvement of this railway service. His lordship, therefore, arranged to have the meeting held in the largest church in the parish of Bonaventure, holding two thousand people, and there were gathered together English speaking and French speaking people, Protestants and Catholics, clergymen, farmers, and members of all classes of the community. We saw the unusual spectacle, in the sanctuary of a Roman Catholic church, of a meeting presided over by the bishop of the diocese, at his right the Speaker of the House of Commons and at his left Sir Henry Thornton, and other representatives of the constituency, the purpose being to discuss what, after all, was to these people a question of life and death. Sir Henry Thornton listened very patiently and very good naturedly to what was said, and afterwards unhesitatingly stated that in his opinion the people of the Gaspe peninsula were not getting the service that they were entitled to get and that it was in the interest of the public welfare that the government of Canada should see to it that these services were improved.

The province and the Dominion have expended nearly $4,000,000 in the Gaspe peninsula for the construction of these railways. During the winter one through train runs from Matapedia every week down to Gaspe Basin, and on the other days we have a freight train with one or two passenger cars attached—cars in which no Canadian should be asked to travel with his wife and children. The company declare that they are unable to do any better. They have been after every government since 1911 in an attempt to get

them to purchase the railway. Well, the government of Canada to-day are not buying railways. I do not think the spirit of this House is in favour of the purchase of railways; I do not think the Senate is in favour of the purchase of railways, either. But a solution should be found for this condition. It is in the interests of the Intercolonial railway; it is in the interests of the Canadian National Railways, because every pound of freight carried by that road goes to the Intercolonial: a million and a half of business was given to the Canadian National at Matapedia station last year or the year before. Sir Henry Thornton declared that he would be delighted to operate the road to-morrow if he only had the power to do it. He said, "If the roads are given over to me I will operate them and try to make a success of them." He was confident that in two or three years they would pay their way. In fact, they are doing so at the present time. The Gaspe peninsula men work ten or twelve hours a day. They have not union wages; they are glad to work at half the rates that railway men obtain in other parts of Canada. Sir Henry Thornton is confident that if these roads are taken over he will be able to come to an agreement with the railway unions—and it is to their credit—by which this state of things will continue until the roads are put on a proper footing.

I do not want to have the English investor deprived of any rightful investment that he has made in the Gaspe peninsula. But there are people in England who have made investments which were not always wise, and the investment they have made there has so far paid them nothing. The bonds have never paid a dollar; the road has paid its way and that is all. There is a floating indebtedness against it at present of $400,000, and the company are asking, I think, about $4,000,000 for the value of the road. I do not go so far as to recommend that it be purchased, Mr. Speaker, but I have enough confidence in the members of the present administration and the patriotism of this House to believe that they will come to the assistance of these people and see that a solution of the difficulty is found. Let this road be operated under the Railway Act if necessary. Let an agreement be arrived at with these two companies by which the roads will be leased without obligation to purchase, as can be done under the Branch Lines Act of 1914, a measure adopted at the instance of the late Mr. Cochrane. The government has all the necessary power under that act. It can even go further. It can, through the Minister of Railways, say to these people, "You are not giving the service that you ought to give. Your trains in winter instead of running to Gaspe run only to New Carlisle, half the distance, where passengers have to stay over night and continue down to Gaspe the next morning. That is not your contract; that is not the agreement under which the subsidies were paid." And the minister, under section 160 of the Railway Act, can request the Board of Railway Commissioners to give an order which this company declare they are unable to fulfil, and if this fails other means can be adopted of taking possession of the road—by the appointment of a receiver. The company does not forfeit thereby any claims it may have for the value of the road. The ownership of the road is a matter of indifference to the people of that district. They naturally would sooner it should be the property of Canada, because naturally it is a feeder of the Intercolonial railway. It was intended for that purpose; it could serve no other purpose; and that is its natural destination. But if this road cannot be acquired at the present time, let it be operated by the Canadian National. All the people want is the service. Let the service be what it should be. Let the trains be maintained regularly; let the trains be decent trains, and I am informed by Sir Henry Thornton himself and by his officials that they have at the present time rolling stock and material on the Intercolonial railway, which will not bring about the expenditure of one dollar, and which will be quite sufficient to provide this branch railway with all the equipment it requires. We had some time ago an inspection of that district by a man whose word ought to carry some weight in this House, by the Hon. Mr. Carvell, Chairman of the Railway Commission, and here is the concluding paragraph of a letter that he addressed to Dr. Reid, who was then Minister of Railways, and which is interesting as far as it goes:

> It is, therefore, quite evident that this road is in very much the same position as the branch lines in New Brunswick, excepting that, in my opinion, it goes through a better country as a rule than do the New Brunswick roads. There are more people to patronize it, more business to be done, the roadbed is in better condition, and it offers a better guarantee of business than any of the other branch lines with which we have been dealing during the past three years; but the men who have invested their money must realize they have made a mistake financially as the prospects of paying dividends are very, very remote.
>
> I believe the Canadian National should take over these two roads and incorporate them in the government system, paying to the owners whatever in their judgment would be a reasonable amount for their equity,—probably on a somewhat higher basis than that paid or offered to the owners of the New Brunswick branch lines.

I realize in making this report that it is not part of my official duties as Chairman of the Board of Railway Commissioners, but, having given the matter a good deal of personal consideration, I feel I am not overstepping the bounds of propriety in giving you my personal views on such an important subject.

I will leave the matter there, Mr. Speaker. It is close to six o'clock and I do not want to impose upon the House the necessity of listening to a minute description of all the resources we have in that peninsula—ten thousand square miles of what is practically "terra incognita," merely the shore line inhabited, but inhabited by seventy thousand rugged people, the descendants of the pioneer settlers of that part of the country, many from Great Britain, others from France, and others from other parts of the province of Quebec. We ask for these people fair treatment. We ask that they be given an opportunity to eke out a living in that part of Canada to which they have stuck so long and so faithfully. Nothing is more painful to you, Mr. Speaker and to myself, than to see these people emigrating to the American cities or to other parts of Canada—they who live in one of the most fertile parts of the province of Quebec, blessed with a double crop, the crop of the sea and the crop of the land, with lumber and minerals galore. We have discovered recently in the township of Lemieux, in the county of Gaspe, four square miles of lead and zinc which are declared by the experts of the Mines department to be superior to the famous Joplin deposits in the state of Missouri. We have fisheries which are second to none; our Gaspe salmon is the finest fish in the world; we have the finest population. All we ask is a chance for these people to stay at home, and if this present government can stop the exodus from the Gaspe peninsula it will secure in those constituencies the unswerving loyalty of these peaceful, law-abiding and industrious people.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. W. F. MACLEAN (South York): Mr. Speaker, just before the House took recess I listened to the remarks of the hon. member for Bonaventure (Mr. Marcil) in regard to the railway difficulties that confront his constituency on the Baie de Chaleur. I agree with a good deal of what he says. I am somewhat conversant with the need of railways in that part of the province of Quebec. I know the hardships which the people there have to encounter by reason of the existing situation, and I would like to see some relief accorded to them. I do not know that this should come altogether through a steam railway, perhaps the needs of the people would be better served by an electric line; but if the board of directors of the National Railways would take the matter up in a businesslike way and work out the solution somewhat in the manner I have suggested, a railway service might be provided which would help the people of Bonaventure out of their difficulties. They have had a hard time, but they have a fine district down there and they have hope and faith in their country. I should like to see that part of Canada developed equally with other portions which we hope to see ultimately developed and become a great source of benefit to Canada.

Having said that much I am going to take up the time of the House for a little while to-night to discuss two or three questions which I think are of supreme importance to Canada. To begin with, I want to point out to Canadians, and especially to the voters of the Dominion, that the greatest political revolution that has occurred within the past one hundred years is now taking place in every country that has a political system similar to that which we have in the British dominions and that they have in the United States; and the best way to illustrate that revolution is to tell the House what has taken place.

First of all I am going to describe what has taken place in Canada. In 1919 in the province of Ontario the Farmers' party began to organize themselves. They did organize themselves and an election came on. The other parties neglected even to have conventions to discuss the situation, and the result was that this Farmers' party that everybody despised came into office and was there for some time. So much for that. Then, in 1921, Union government ceased to be a factor in Canada. It was dissolved and my right hon. friend (Mr. Meighen) who now leads the opposition became Prime Minister. He decided that he would ask His Excellency for a dissolution of parliament. His request was granted. He went to the country and came back absolutely in a minority. The Liberals assumed office with a small majority, and out of that came change. But before I go into that I want to refer to another election, that of Mr. Drury in the province of Ontario. He was premier then. He had not been premier and did not hold any office at the time of the previous election. He decided also to go the country. He did so and was not only defeated but his party was almost

destroyed. The Conservative government then assumed office in Ontario, and that government now administers the affairs of the province. Then there was another election in 1923 in the Mother country. They had abandoned the Union government there a short time before Bonar Law became Prime Minister. Unfortunately he died. The party elected a new leader in Stanley Baldwin, who occupied office for a time when he decided he would go to the country for a mandate. He went to the country for a mandate and he came back without a majority. Labour, a new party came into office and assumed the government, and they are administering it to-day. They are also in a minority, and yet they occupy the Treasury benches. This came about because the leader of that party had the wit when the opportunity came to assume the leadership of the opposition. There was nothing else to do, by reason of what took place, but to have Ramsay MacDonald come into office although his party was in a minority. At any rate, to-day the Conservatives are out of office and the Liberals are weakened. The latter came back divided but since then they have united. Well, this is the outstanding feature of all these elections —that the political revolution has come, and it extends all over the British Dominions, and it has also come to our neighbours in the United States. Out of these elections we have these various parties in Ontario. We still have the Farmers' party, we still have the Liberal party, and we have the Conservative party. Those three are playing the triangle; they are still there to-day. Here in Ottawa, after the last general election, the Liberals came back with a majority. We do not know what they had a few days ago but they are confident now. Thus we have in this House a Conservative party, a Liberal party in office, a Farmers' party, and a Labor party; and instead of playing like Lloyd George upon a triangle this House now is dancing a quadrille with four parties in it. Or to put it another way we have on one side a party playing the fiddle, on the other side a party playing the flute, the Farmers playing the trombone, and the Labour party the big drum.

What is going to arise out of all this? The revolution has arrived, and I want to tell my hon. friends that the greatest menace ahead of them is that this state of affairs has arrived and is present. I do not know any party in office to-day in the British dominions that is likely to go to the people that will not have a very hard time in getting back. While there has been a revolution in the British dominions in regard to the political system, a still greater revolution is pending in the United States. There never before was such political excitement in that country as there is to-day. They have there a Republican party in charge of the administration and they can do as they like. They have also a Democratic party. But they have a third party, or rather a third and fourth party, called the Insurgent party. They are made up of insurgent Democrats and insurgent Republicans, and they are the men who are forcing the situation in the United States to-day. That country is in a state of turmoil, and nobody knows what is going to happen; but if there is anything Canada ought to watch with great interest, it is to see what will occur in the election in the United States this coming year. I would not be a bit surprised to see now the present President Mr. Coolidge not taken up by his party. I centainly expect to see an altogether new man as a presidential candidate for the Democratic party; I would be less surprised if a third presidential candidate was put forward, and he might win. It is true that Theodore Roosevelt tried it and he failed, and Mr. Taft came into office and became president; but in view of what is going on in the United States I am asking the Canadian people and this Canadian House to watch what is happening there and to watch how this revolution is coming. It will be so surprising and far reaching that nobody can quite tell what will happen. It is well worth watching.

Let me say a word for the new party that has come into office in England. I am not going to apologise for them. I think what has happened there is one of the most promising things that has happened in a long time. Some people say that that party are Reds, Bolshevists, Communists, and they have some other names for them. The best informed man in politics to-day, so far as I can judge—and I am somewhat of a judge—is Ramsay MacDonald. There is not an abler man in British politics to-day, and the ablest man, from a European point of view, is his Lord Chancellor, Lord Haldane. True, he had to admit some years ago that he was indebted to Germany for his spiritual development, for his education. But I will say this for Lord Haldane, that the greatest thing to his credit in connection with the late war was that he made a fighting machine out of the British army—I am now giving the testimony of the best generals in the war, that Lord Haldane made out of the then very poor army Great Britain had, the best fighting machine in the war. Ramsay MacDonald, Lord Haldane, Mr. Clynes, who

is now leader of the House, the Colonial Secretary, and others who are there—some might think they were men who had been picked off the street—are men of character; they are able to take care of themselves; they are the ablest men in England. The correspondence, printed yesterday or the day before, that was exchanged between the Premier of France and the Prime Minister of Great Britain, has given to the world the hope that peace will come sooner than we expect, and that there will be an adjustment and an improvement. I am going to read to the House a few lines giving the opinion of Stanley Baldwin of this much-despised Labour party in England. It is surprising in a country like Canada to many people who profess to be reformers and others who profess to have no great regard for Communists, Bolshevists, and such people, to hear what Stanley Baldwin says of the party that happens to be in office at present in England. I should like the House to get the benefit of this. This is the speech that he made the day after he resigned office, a speech that he made to his own followers in the House. He said:

> Our great enemies of the future are not going to be the Liberals, who are moribund, but Labour, which is very much alive. You are not going to beat Labour on a policy of tranquillity, negation or sitting still. There is a vitality in Labour at present in the country, and unless we can share a vitality of that kind we shall be unable to conquer it. Now, to my mind, the strength of Labour arises from two sources.

Then he goes on.

> We have in our party no lack of material. We have all over the country young men who would be eager to work with us if they felt that we were no less sincere in our outlook than the Labour party. If they do not feel that, there is nothing that is going to stop the drift to Labour of the young men in the towns. It rests with us; and I would urge very strongly that in the next two or three months, inside our party and in consultation with experts outside, we should examine in the light of the present a number of the pressing problems that have presented themselves since the war, to be examined without prejudice—problems of housing, problems of education, and, almost more important than all, problems of the relationship between master and man—and that, having examined these problems, we may reach conclusions which may well form part of our social policy by the time the next election comes.

That is the Labour party that Stanley Baldwin—and he is a very able man—says they have to beat there. When people go around this country and abuse these Reds and call them Socialists, Bolshevists and all that kind of thing, they should remember that these are the men who hold office to-day in England, who have taken over the business of trying to restore prosperity, at least to restore peace, to England. I repeat what I said a few moments ago, that there never before has been a correspondence exchanged in two or three letters that has given as much hope to the world as that fine letter written by Ramsay MacDonald to the Premier of France and the reply in an equally honourable and fair-minded way by the Premier of France.

But all this has been carried on by a government in a minority. That is the revolution and some of us do not know it. There will soon be in this country a government carried on by a minority. But how do they do it?

Mr. HOCKEN: Is the present government not carrying on by a minority?

Mr. MACLEAN (York): Yes, but the great feature of the new system is that it is not by votes and majorities in Houses—and this is taking place all through the United States—it is by arrangements or deals by leaders of parties within the House.

Mr. LAPOINTE: By good legislation.

Mr. MACLEAN (York: I am not disputing it; I am saying what is coming, and the members of this House and the people of this country must see it. We have seen it arrive here. When I read that statement of the leader of the Progressive party as it appeared in the press on Saturday last I came to the conclusion at once that possibly there had been some understanding. It was an honourable declaration that if they got what they wanted along Progressive lines certain things would be done. Now, that will be the same attitude in the politics of the world. There will be no longer any two-party system. Such a system does not exist here; we have four parties here, and there are three in England, while there are several in the province of Ontario. The same thing is true in the United States in the political situation that obtains there to-day. So that what I am saying will be of interest, if not to the members of this House, at least to the people of Canada.

Now I come to the question of redistribution, in connection with which the government promises a measure. Anyone who has been following political tendencies in this country knows, no doubt, that the revolution has come in the province of Manitoba, where they are adopting what is known as the single transferable vote. And we are to have the same thing in this House. With the Progressives behind it that principle may come into force in Canada. And what that transferable vote means hon. gentlemen will discover if they go back to the country for re-election, whenever the time may come. This alternate vote is the principle which

enables minorities to secure some representation: by the transfer of votes, minorities that heretofore could not enjoy representation in parliament will now have it. In cities like Montreal and Toronto various deals will be made, and under this revolutionized condition which will prevail as a result of the transferable vote no one knows who will be elected; and that is something that confronts my hon. friends on the treasury benches more particularly than it does anyone else. Now, I do not say that I am against the transferable vote. We are to have it in the next Dominion election unless something happens to prevent the principle being adopted. The revolution, I say, has come and if hon. gentlemen do not quite believe in it and are inclined to laugh, let them wait until they go to the country. There is a minority government ruling in England and only a few days ago we had a minority government in office in this country; and with the far-reaching changes that are imminent in the United States, in the election which is going to take place there we shall no doubt have some surprises which will have some significance to ourselves and our friends and to the prospects of the country. Parliamentary institutions, I am glad to say, do not last; changes come. That is natural, and it is well that it should be so. People thought that they could relegate these things to leaders of parties and that they could ward off these changes. Now, however, the outstanding fact is that the people are supreme, for no party leader can dictate what shall be. If the people want more parties they will have them. They will have as many as they want and no man knows what he is talking about if he gets up here and says that he is not going to allow the two-party system to die, or that he thinks this or the other should be the case; the people will settle all that.

Let me now deal with the question of the St. Lawrence waterway. There is a percentage of the people of this country who do not like the idea of the improvement of the St. Lawrence waterway. Montreal does not like it. I should think it would be of the greatest benefit to Montreal; and if that city is not satisfied with the improvement of the St. Lawrence waterway the United States will soon make them sit up and understand that the government over there will build a canal from Buffalo to New York which would make New York the absolute port of the western world. So that when the people of Montreal say they do not want to see any improvement of the St. Lawrence, tell them they had better have a care. I believe that it is in the interest of Canada and in the interest of the United States that the St. Lawrence waterway improvement scheme should be carried out immediately, in the same way that the Panama canal project was carried out to successful completion. That undertaking was the result of an agreement. I might read a few words from Lord Charnwood's Life of Roosevelt. In 1903 Roosevelt wrote:

> Panama declared itself independent and wanted to complete the Panama canal and opened negotiations with us. I had two courses open; I might have taken the matter under advisement and put it before the Senate, in which case we should have had a number of most able speeches on the subject, and they would have been going on now and the Panama canal would be in the dim future yet. We would have had a half century of discussion and perhaps the Panama canal. I preferred we should have the Panama canal first and the half century of discussion afterwards.

And the Panama canal was built, not so much by legislation as by negotiation between the two governments. The same thing is needed in this instance. My suggestion in regard to this very necessary undertaking would be to start negotiations immediately with the United States looking to an international agreement. The great thing to be done, however, is to undertake this much-needed improvement immediately. It would provide employment in certain parts of the country and it ought to be carried out at the earliest possible date. The money could all be raised. We no doubt would have to assume half of the cost and the United States half, but there would be no trouble in raising the money, with the assistance of the United States, at a low rate of interest. If that were done the work could be completed within two years and would become the great success which the Panama canal has been. While I should not like to see the hydro-electric power investments of the people of Ontario interfered with, at the same time, if the rights of the province can be safeguarded in that connection, I should be glad to see this project undertaken including the development of water powers. In that way within two years the people of New York state and the people of Ontario and Quebec would have an immense development of water power, which would bring great strength to the manufacturing industries of both countries. Therefore I am strongly in favour of our dealing with this question at an early date.

There is an insistent call for economy of administration, and I have the utmost respect for it. Already there has been a start in this direction, there have been reductions in our national expenditure; but we must insist on still more sweeping reductions, and to this end we must do as they are doing in the

United States, we must stop inflation. What five or seven years ago were comparatively small retail businesses in this country have been converted into big organizations capitalized at absurdly high figures. We have, in common with the United States, an army of profiteers, men who have made immense sums of money, and they are moving heaven and earth in their effort to ensure a continuance of profiteering. They do not want to see deflation come about. But there must be deflation. We cannot keep up the cost of living, and it will have to be reduced, even if the housewives have to go on strike. Deflation must come; and there must be other economies.

Now, I am going to suggest to the government a series of economies—and no one can give a better start in this direction than the government. To begin with my home city of Toronto, we own the street railway system, but under the system of amortization it is necessary to exact a 6¼-cent fare. I would suggest that the city authorities postpone the amortization of the street railway debt for a certain time and give the people a 5-cent fare. One or two examples like that will have a markedly beneficial effect on the public. Now let me suggest what the government may do in this direction. Let them put the postage back to pre-war rates; let them make a suggestion to the board of directors of our National Railway system that passenger and express rates be put back to pre-war levels; let them reduce the rates on telegrams. The great thing is to touch the sentiment of the people, and this can be accomplished in no better way than by starting the process of deflation which I have indicated. Therefore I hope some action will be taken by this House to bring about these reductions. As an old Greek philosopher said, to be a harpist you must play on the harp; and to touch the imagination of the people we must play in this key, we must inaugurate economies in many directions in the Civil Service, but at the same time we must establish contact with the people at points where they are vitally interested. To do this we must give them some relief in respect to postage, telegraph, express and railway rates. So my suggestion to the House is that if we really believe in economy, if we really believe in deflation, something along this line must be started in order that high prices may be cut down and profiteering be checked. The profiteers have never yet been punished. The country is full of them. Today it is overrun by a new class of profiteer—the bond security seller. I never saw so many men trying to sell bonds all over Canada as I see at the present time. Let the inflation in that respect cease for a while.

The vital thing is to get back to normal, and it is hard to accomplish it. When you try to get back to normal you meet with many difficulties, nevertheless you must keep on trying and finally the sun will begin to shine again. Put a little more hope into the people, give them leadership here from Ottawa, not only by economies in the Civil Service and other departments of government, but by encouraging deflation all around. We may have to still further reduce our army. I know some people will be sorry to see our volunteer service reduced, but the Great War was an absolute failure if it does not lead to a better condition of affairs in regard to military establishments.

I come now to taxation and new sources of revenue. I spoke about a revolution in politics, and I want to suggest to hon. members a revolution that is coming in regard to raising our national revenues. Hon. members will probably be surprised and inclined to laugh at first when they hear what I have to say, but I hope to convince them of the feasibility of my suggestion. There are certain things in which we have a monopoly, and I maintain that these monopolies can be used to secure a great national revenue—from some a little, from others a great deal. We have an absolute monopoly of nickel. Practically the world's supply of nickel is contained in about eight square miles near Sudbury. This enormous deposit is no doubt the result of some great geological upheaval in former days, and as far as we know it is the only deposit of its kind in the world. We own it absolutely; but what is taking place? Sir Alfred Mond and his father came to this country twenty years ago and they were the first to grab the Sudbury nickel deposit. They have been taking it ever since over to their refinery at Swansea, and they have turned out in that one refinery all the nickel produced in Europe. I have stated in this House—and I was rebuked by members of a former government for saying it—that Germany all through the war got from the Scandinavian countries all the nickel she wanted, and it all came from Canada. My authority for that statement was the result of an investigation made by a British admiral who visited all these countries. He saw that they had this immense supply of nickel, and he knew that it came from Canada. Probably most of it came from the International Nickel Company, a United States organization which controls three-quarters of the area containing these nickel deposits. We have one company

here, a new company, which is producing nickel. They say they have not made any money. That is probably true, but I have no doubt that they hope to make it. Nickel is one most valuable metal in the world to-day; it is sought not only for war purposes but for other purposes as well. Nickel contains an undisclosed amount of four very rare metals besides nickel itself, palladium, polonium, platinum and irridium. I have asked from time to time that the information regarding these ingredients be given in this House, but it has never been disclosed to the Canadian people. So this nickel ore has been taken out of the country by Sir Alfred Mond and his friends and smelted at Swansea, the Canadians thus getting nothing in the way of wages. And the same thing is going on in the United States: they are smelting it there and they will not tell us what is the content of the precious metals outside of nickel. As we have the sole supply we should require the payment of a reasonable tax to the people of Canada before this nickel goes out to other countries. In other words, let us make them disclose what they actually have in this ore, and let us put an export duty on it. Nickel steel is the most useful material used in connection with the automotive industry, in fact in the manufacture of every kind of steel. If nickel steel is an absolute necessity to the world and it must be produced in Canada, we can say that it shall be manufactured before it leaves the country and that if others want it they must pay an export duty on it when it goes out. That would be a wise thing to do, and I hope it will be done.

I come now to another important question, that of pulp, pulpwood and paper export. There is no reason why those in other countries who must have our pulp, pulpwood and paper—and they are largely American people—should not pay us an export duty on those materials. Canada could get a large revenue out of that pulp industry and the people of this country would get the benefit of it. Now, the people of the United States have an absolute right to make their own tariff, but I want to tell my friends the farmers down the line here that when the United States impose a prohibitive duty on Canadian wheat going into their country of 35 cents a bushel, and are getting ready to make it 50 cents, the first thing they have to do is to stand up in this House and say, "Yes, Mr. American, you can keep us out of your country, but if you want our pulp we are going to make you pay an export duty on it. If you do not like to do that, perhaps you will take down your prohibitive duty on our Canadian wheat." In five years Canada will control the wheat supply of the world, and the United States and other countries will have to come to us for what they must have. So I suggest that within five years we shall be in a position to place an export duty on wheat, and that there would be no resulting disadvantage to the farmers, but, on the contrary, a benefit. So we have all these arrows in our quiver, and many others if we care to use them.

I am confident that the greatest gold producing country in the world is going to be in northern Ontario and Quebec, and there is no reason why, with the development which will take place within a comparatively few years, we should not derive an immense revenue from the export of gold. Ontario and Quebec would benefit by it very largely. It is time we began to think about these new sources of revenue, especially in view of the attitude of the United States. They are our neighbours and they have been our allies, but they are making the farmers of our West pay 35 cents in order to get a bushel of wheat into their country. Well, we should not be blamed if we said to them, "If you want our pulpwood you will have to pay an export duty on it"; then we can use some of the revenue derived from that source in the protection of our forests, the preventing of fires, the planting of trees and the maintaining of a pulpwood supply. A tax of that kind will not hurt the pulp industry of this country, although they will groan to-morrow when they hear that I have suggested that there should be such an export duty. The pulp industry is growing; the demand in the United States for Canadian paper is becoming enormous. They cannot print their papers over there unless they get pulp from outside their own country, and they have to come to Canada for it. So we cannot be blamed if we should ask them to pay an export duty on the pulp and paper that we send over, until such time as they experience a change of heart and take down the tariff wall that they have raised up against our wheat. It may be a crime to make any suggestion as to new policy in this House, but that is a suggested new method of raising revenue.

Another thing I would like to see in this country is a great iron industry, and I notice that one of the papers has entered to-day upon a campaign in that direction. So far our iron ores are rather weak and hard to handle, and although we are doing some smelting in our country it does not amount to a great deal. I am going to tell the House and the country what I think is the future of the iron industry. I have been speaking

about revolutionary methods of various kinds; now the greatest revolution in iron smelting is about to take place, namely, the practice of smelting by electric current. We have an enormous amount of power available on the rivers of the Hudson slope, on the St. Lawrence and elsewhere. In England they are getting ready to burn their coal at the pit heads and to generate electrical current for use in their smelters in the production of iron. If we are alert, we may be producing iron by way of electrical smelters if we have sufficient quantities of ore, and I think we will have that ore in a short time. Hitherto the conditions have been rather discouraging, but I see to-day in a trade paper devoted to these subjects that there are immense stores of iron ore in our country. I leave that question there with my suggestion in regard to what I think will be a great source of revenue, and a great source of compulsion on our neighbours, if we choose to use it, to make them accord fair treatment to the farmers of the West in regard to wheat, if nothing else. I throw out that suggestion, and as I said before, watch what is going to happen in the United States in the coming election. If perchance the Democratic party come into office in the United States in this coming election—and I admit I opposed the reciprocity proposal that was made in this country some years ago—I would not be a bit surprised if they would come forward with an entirely new trade proposal to Canada, and use that as one reason for removing this objectionable duty on Canadian wheat.

When I was talking about economy I wanted to say this: We must continue to tax luxuries in this country. If we are not taxing them enough, let us tax them more. It will give us revenue. We must also reduce the taxes on the necessities of life.

The third thing I would suggest to the House is this: I would revise the preferential privileges in the Canadian tariff, especially in regard to our sister dominions and the Mother Country. I have heard a great deal of complaint as to the effect of those preferences. I think they might be revised, and I would suggest that they be revised.

Another thing that has got to end, and nobody yet has said it in the House—it remains for me to say it—is this: One of the greatest iniquities ever perpetrated in the United States and Canada during the war was the issuing of tax-exempted bonds, which all fell into the hands of rich men. I do not know how that can be cured. It might involve a breach of contract that Canada could not be a party to, and yet the people of the United States and the United States congress, and they are very honourable in their legislation especially in regard to financial obligations, are going to find a way to stop these tax-exempted bonds. I suppose their issuance could be continued in this country yet. Among the economies we may effect, and in order to increase the revenues of this country, let us put an end to issuing tax-exempted bonds. I think they have ceased in the United States, but I am not sure of that. I do not suppose the rich men and the rich companies would be generous enough to make concessions to the country, but a way may be found to get rid of this condition of affairs where rich men and rich companies have millions and millions of tax-exempted bonds in their safes, and yet be fair to the bond holders and be within the law. I am not advising repudiation in any sense, but a way may be found to end that condition, and the people of the United States are trying to solve that problem to-day. We have to solve it too, and we must stop now, once for all, the issuing of tax-exempted bonds. In future any securities issued in this country will have to take the ordinary course. Municipal bonds went out by millions when the opportunity offered to put them out, and national bonds went out by hundreds of millions, all tax-exempt. Probably that was a necessity of the war, but that must continue no longer. It may have ceased, but I do not think so.

Finally, for I do not want to tire the House much longer, I am coming back to the question of bank reform in this country, and I want to tell the House frankly that when I took up this subject last week and made investigations, I had intended to suggest the introduction of an amendment to the Address that I thought under the circumstances that existed last week this government would be prepared to accept, but since I have observed what has taken place within the last week, and the certainty almost of the government having the co-operation of my friends from the West, especially if my friends from the West are to get some of the things they desire, I saw it was not quite a wise thing to do, and accordingly I did not draft the amendment, but I am going to tell the House what I propose. What I want to see in this country is the reform of our banking system; it has to come right away, and if the government do not bring it about they will soon hear from the people. I suggest that we should substitute a national or Dominion note issue in place of the bank notes issued in this country. I suggest an absolute withdrawal of the bank notes issued by the banks and the

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substitution therefor of national notes like they have in the United States. I would also suggest that we have what they have in the United States, a Federal Reserve banking system, which is a system of re-discounting for the banks. I have no hostility against the banks in this country at all. I would like to see them increase in number and their capital multiplied, four or ten times for that matter. I would like to see their business increase and the service they can give to the Canadian people increase. There are all kinds of opportunities for the banks to make money in this country, but they have got to sit down with parliament and consent to withdraw their own notes and to substitute therefor national notes. They must also be willing to accept a system of re-discounting for banks, under the same plan that obtains in the United States. Not to weary the House I am going to ask permission to read three short paragraphs I have here, written by a Canadian, as to what occurred in the United States and brought about the reform of their currency law. They are taken from an article on "Woodrow Wilson and his domestic policy." Woodrow Wilson made the greatest record of any man who was in the war. He died the other day but he hoped to bring about the League of Nations. The United States is not yet a party to the League of Nations. For some reason they repudiated their President in regard to that matter but they are coming back to it, and if I correctly interpret what Ramsay MacDonald said in the correspondence that was published a day or two ago the United States will yet come back to the League of Nations. Now let me read what I have here on Woodrow Wilson's domestic policy:

> Mr. Wilson came to the White House at a time when all signs foreboded economic disturbance and distress. The Payne-Aldrich tariff law had caused agricultural depression and an equal price level similar to conditions now prevailing in many states as a result of the Fordney-McCumber tariff act. The currency of the country was inelastic with business often demoralized by "currency famines" and "money corners." The credits of the country were absolutely controlled by the private corporations in charge of the reserve banks.
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> The Wilson administration within a few months created the Federal Reserve Bank system, which brought the credit of the country to the relief of business and provided an elastic currency under government control. This was accompanied by a downward revision of the tariff and followed later on by a rural credit system which has already financed farm mortgage loans to the extent of a billion dollars at a moderate rate of interest and on easy terms of payment.
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> Had it not been for the Federal Reserve Bank it would have been impossible to finance the great orders for munitions placed by the Allies in the United States before the entrance of that country into the world war, or to have financed the huge expenditures and commitments of the Federal government after America's entrance into the war. There are many who believe that the Federal Reserve Bank system contributed no less toward the winning of the war than did the armed forces sent by America oversea.

Now, that is the American Reserve Bank system, which is based on national notes and only on national notes, which discounts for all the banks, and which supplied all the money necessary to carry on all those contracts during the war. That system is still in existence there, and they mean to keep it. We in Canada must have not only a national system of currency, but a national reserve bank system such as they have in the United States. We must start to have it this session, and the government will be tried by nothing so much as by what they endeavour to do to meet the views of the farmers. I want to tell them that unless they give the farmers a national note system in place of a bank note system, and unless they give them a national reserve bank there will be very serious criticism. I want to read just one more paragraph about Woodrow Wilson:

> Be that as it may, the Federal Reserve Bank will permanently remain the cornerstone of national finance. The Land Bank system for rural credits will also be a permanent institution.

I want my friends the farmers to note this:

> Had Mr. Wilson been able to give more attention to domestic affairs he would have completed his financial programme by establishing a banking system designed to give the farmers of the country the banking accommodations given by the Federal Reserve system to merchants and manufacturers.

That is what we want in this country. We want a national system of banking that will meet the requirements of the farmers and we will not get it from the present banks. In this country there has got to be a great system of national banking, similar to what they have in the United States, for the accommodation of manufacturers and farmers. Let there be equality of treatment. The farmers today are declaring that their great grievance is lack of equality in price levels. There have been low price levels for the farmers, and a high price level for the other people engaged in industry. The same thing obtains in the matter of banking accommodation; there is discrimination. We in this country have an opportunity now to get this relief; to establish a system of national notes and a system of national reserve banks, and the latter will serve the farmers as well as the men who are engaged in commerce and in manufacturing.

I want to see a real reform in banking. The people of Canada have been deprived of the finest national savings banks they ever had. A few years ago the Receiver General's

offices in Canada took deposits and gave the people interest on them, and that money was absolutely secure. Somebody strangled those offices throughout almost the whole of Canada. I am informed, and I think correctly, that the Canadian government is still carrying on this national savings bank for the benefit of the people and paying interest on deposits, in the Maritime provinces and in British Columbia. Unfortunately somebody strangled the operation of the Receiver General's office in Toronto, although it was the finest bank we ever had. The people could go into the Receiver General's office, deposit their money, draw interest on it and get that money whenever they wanted it. That change was not made by the present Minister of Finance (Mr. Fielding), and I do not know what minister in the former government did it. However it was done and the people of Canada, especially in the province of Ontario, have been deprived of this fine savings bank system. I want to see that national savings bank restored immediately as security for the people who entertain some doubt in regard to their bank deposits.

There is another thing I want to see carried out, and I am going to put the matter up to the government now. We must modernize our savings banks in connection with our post offices. Nobody who has a deposit in one of these banks can get his money when he wants it. He has to sign a form which must be sent on to Ottawa and checked up, and it is a week or more before he gets his money. I want to see the Canadian people given the right to get their money whenever they want it, not in the form of currency but a cheque which will be cashed by any bank. The people want a return to the savings bank system we formerly had in this country; they want the right to deposit their savings in a bank controlled by the government. The Drury government in Ontario did one good thing when they established what they called Ontario government savings offices. They took in millions of deposits there and those savings offices are in existence yet. The present provincial government is talking about winding up that system, but I would advise Mr. Ferguson not to do that until he sees whether the Dominion government will not revive the system of national savings banks that obtained in connection with the Receiver General's offices, representing the treasury of this country.

And now I want to say another thing as to what is going on in the United States. The government of that country to-day are paying anybody 5 per cent on any deposit he likes to make with them. And they pay him immediately in the best money in the world, in national notes of the United States. During the war, and since, this system has gradually become, by reason of the improvements introduced by Woodrow Wilson, a splendid one. The finest banking system in the world to-day is in the United States. It is based on national notes, it will rediscount to the banks, it will take money on deposit from anybody in the country, and interest to the amount of 5 per cent is paid. The system has been such a success that it is making the banks over there somewhat concerned.

I want to conclude by making another quotation. I thought I had the letter here but I cannot put my hand on it for the moment. However, I may say that I received a letter from a gentlemen for whom I have great respect. He knows all about the losses that have occurred in this country in connection with the Home Bank. I want to tell the House what he says: The absolute fraud in connection with the present Bank Act of Canada is that the deposits in a wrecked bank are first grabbed to pay for the note issue of that bank. For that reason this parliament must do something for the people who have that grievance against the Bank Act of Canada. I do not know whether they can make out a case or not; but that is the point, that millions of the depositors' money in the Home Bank are to-day going to discharge the notes issued by that bank. This has occurred in a great number of cases in the past, and it must be cured. I wish the acting Minister of Finance (Mr. Robb) was here; I would put the question straight to him now: Does he intend to stop that kind of business in this country, that when money is deposited by people in a bank, the first grab that is made on that money when trouble comes to the bank is to take up the bank notes that have been issued by that bank? That is what we are up against, and we all have to face depositors in that bank. We get letters every day about the matter.

The province of Quebec has had two troubles of that kind, the Provincial Bank and La Banque Nationale. It also had a good deal of trouble from a company known as La Machine Agricole, and an immense amount of securities was floated amongst the innocent people of Quebec and other parts of this country. For some reason or another Quebec has undertaken to issue $15,000,000 of the bonds of the province to take care of the people that lost their money in those bad securities and

the people who lost their money in those two banks. I want to say to the depositors in the Home Bank that they have a good reason to present to this government why something should be done for their relief, in that the province of Quebec has come to the relief of its own people who have suffered to the extent of $15,000,000 in those banks and the company by which so much money was extracted from the people of that province. It may, perhaps, be an unfair thing to ask of the government; but some consideration must be paid to the people of this country, and first of all some consideration must be paid to the reforming of the banking laws, as I pointed out tonight. This sort of thing must stop. Why should we have any more bank notes in this country when we can get good, clean national notes such as we have? Is there any note so good in Canada to-day as the one dollar bill or the two dollar bill? It goes everywhere and every American will take such bills; but the minute you offer them a five dollar bill and they see that it is a travelling photograph album of the man who happens to be general manager or president of the bank, they will not take it.

There is another matter and, perhaps, the House and the government are not aware of it. The greatest crime is this: We have a national issue of notes and we issue notes of $5,000 and $10,000. The banks get them—I know they get them—and they go and deposit them in a central gold reserve in Montreal. Having deposited them there, they go out and reissue their own notes in the place of their national notes. They humiliate the national note, your note, the note of your nation, by saying that it is a discredited thing. Eventually the money has to be paid; but their notes go out, and that is the security that the depositor has, when the best note in the world, a note issued on the credit of the people, a note that would have gone everywhere, has its place taken by this bank note. That is taking place every day. Is the Minister of Finance going to stop it? Would it not be a good thing for our people to have a five dollar bill, or a ten dollar bill, or a hundred dollar bill, or a five thousand dollar bill of the government of Canada? But you cannot get them. We have issued them; but the banks have them all: the banks have silenced them, and in place of them they have issued their own notes. That is what the depositors in our banks have to take when they come to get their money.

I am going to conclude by just referring to this condition in regard to the banks. I have no hostility towards the banks. I want to see them make money, to prosper; but I want to see them give an absolutely secured service to the people of this country who are not getting it now. In the United States they have the finest system of national notes, the finest system of bank rediscount. They are taking the deposits of the people and they are giving them 5 per cent. If you are a depositor and you want to secure your money in this country—and again I say I am sorry the acting Minister of Finance is not present—if you are doubtful about your bank deposits in this country, all you have to do is to go and deposit them in the United States, and you will actually get the security of the United States that when you want that money you will get it and you do not have to take the note of a bank that may not be able to pay its way. There are millions of securities held by the banks even in this country, but there are millions of bank notes out that might be questioned any day, and unless the government is not careful to preserve the standing of such issues, in view of those things that are taking place and those revolutions that are going on, I do not know what will happen.

I want to tell the Prime Minister that if he does not consider this bank situation, his sojourn in the land of promise will not be very long. He is in the land of promise now. The Farmers have come to his relief; they have taken him on trial, and they are going to give him a close examination. They will check up the delivery of the goods every night. I do not know who the checker up is, but he will be an important man in the Progressive party. He will check up every night to see if the goods have been delivered, and if they are not delivered, something will happen. In the meantime, I would suggest that the Prime Minister and the Minister of Finance should take up the banking reforms that are called for in Canada. They thought they had accomplished something last year when they put through the Bank Act. They did something, but they did not do enough. No bank should object to inspection. While I am speaking of inspection, I want to mention another thing that obtains in the United States where they have these good things. Under their National Reserve Bank system every bank must be what is called a "member bank," and that practically submits them to the inspection and criticism of their fellow members. There is thus the most careful system of banking in the United States there ever was in any country. That being the case, we should follow it. We are following

the Americans in many things. We can afford to follow them in these things.

I apologise to the House for taking up its time to-night. In the short speech which I have made to-night, I have endeavoured to bring to the attention of this House and still more of the people of Canada the need there is for a greater exercise of economy from the bottom up, and the still greater reason why we should not only talk about economy but begin to practise it in this House. The government should practise it in regard to not only the Civil Service, but many other things, and it should endeavour to secure the relief I have outlined to-night in regard to postage, telegraph charges, railway fares and things of that description.

Let us just show a disposition in parliament to set an example of economy; let us deflate the awful wind that is in so many of the commercial organizations of the country; let us economise in every direction wherever economy is practicable. There is a new element in the electorate of the country to-day, and that is the woman's vote. It is getting to be equal to that of the men. In England every woman of thirty may vote. They are claiming the right to vote at the age of twenty-one and they ought to have that right. We have the woman's vote to consider in this country and at the next election, under the transferable vote system, no one knows what is likely to happen. If we do not get up on our toes and show some consideration for some of the matters I have brought to the attention of the House, I think it will go very hard with some of the politicians who may then be appealing to the country. The day of absolute majorities in deliberative assemblies has gone by. Parliaments and legislative bodies generally will now be composed of different groups, and these parties will make deals just in the same way as they have done in the United States. Over there they are carrying out great economy involving hundreds of millions, and it is being made possible by arrangement between the leaders of the different parties. I do not call such an arrangement dishonest, but the fact remains that this is just what is being done. Arrangements of this kind are prevalent in the provinces and elsewhere, and we may see surprising things now that the political revolution has come. Let no one tell me that because we have a political revolution we shall have disaster. It is the will of the people in any event, and this is a democratic country. I have always been a democrat and I am a democrat to-day. A Conservative can be a good democrat, especially in relation to the policies that prevail here; and so can a Liberal. The day of democracy has arrived, and when hon. gentlemen go to the country for re-election they had better see to it that their compass is adjusted in keeping with the change that has taken place.

Mr. A. J. LEWIS (Swift Current): It is with a great deal of pleasure that I have listened to the interesting address delivered by the hon. member who has just sat down (Mr. Maclean, York). I cannot say that I altogether agree with his pessimism or with the novel way in which he wishes to raise taxation. However, he has suddenly opened my eyes to one thing. I have often wondered why so many people went to the United States; now I know. I have heard a splendid eulogy of the different systems that prevail to the south, and apparently, in comparison with Canada, they are much superior to our own. Of course, in that respect I do not agree with the hon. gentleman, but I do think that some of the things that he has said are worthy of our attention, especially in regard to some of the means of raising revenue for the country. I do not think that the hon. gentleman's prophecy concerning wheat in Canada in five years' time will come true. We all know that Russia, that great agricultural country of Europe and Asia, is steadily coming back and always will be a great factor in the world's market for wheat. For that reason I do not think that the time will ever come in Canada when we shall have a complete monopoly of the situation and be able to charge just what we please for our commodity. I do think, however, in view of the situation in Canada, that it might be necessary to prevent the export of pulpwood to the nation to the south of us. I am speaking entirely for myself in this matter.

Mr. MARTELL: You are becoming a protectionist.

Mr. LEWIS: Not at all; but I remember coming to this country twenty-one years ago and taking particular observation of the great forests I passed through in going to the West; and during the past few years, coming to Ottawa and going back again, I have been comparing my recent observations with those of twenty-one years ago and I find that all along the railway tracks those great forests have been depleted, not only by those who have gone in to cut wood but also by forest fires. It seems to me, when we talk about our vast resources and their development and about utilizing them to our own advantage, that these resources belong not only to us but to our children and our children's children,

and there should be some method of safeguarding the great forests we have in Canada for the generations that are to come. I therefore consider it quite legitimate that we should put an export duty on the large amount of pulpwood that is going to the United States at the present time. In my opinion there is a great deal of waste, both in the United States and in Canada, in the use of paper. One may pick up a weekly newspaper and see sometimes from thirty-six to perhaps seventy pages which, so far as the items of real news interest are concerned, might very well be condensed into six or seven pages. Instead, about seventy pages are wasted, and that means a tremendous inroad into a great national heritage which has been given us by Providence. An export duty on pulpwood would possibly remedy this wastefulness which is taking place to-day.

Mr. MACLEAN (York): One convert.

Mr. LEWIS: Now, Mr. Speaker, I listened yesterday with a great deal of interest to the speeches both of the leader of the government (Mr. Mackenzie King) and the leader of the opposition (Mr. Meighen), and frankly, to say the least, I was quite disappointed, not with regard to the manner in which those speeches were delivered nor altogether from the standpoint of their subject matter or the outlook which both hon. gentlemen had upon the Dominion at large; but I was disappointed to know that it was possible for such conditions to have existed in the party politics of this country. I can quite understand that if the revelations were even partially true the extravagance of the past has to a large extent been the means of bringing the Dominion into its present situation. I believe the time has arrived when great national leaders should not, as it were, be washing the dirty linen of party politics, and that in the present national crisis we should have from them speeches outlining great reforms, somewhat similar to what we may observe in Great Britain at the present time, speeches presenting solutions of the problems which confront our people, and so help to bring about that peace which is the rightful heritage of this wonderful land.

My leader has very adequately covered the whole situation in regard to the Progressive viewpoint, and therefore it will not be necessary for me to enter into any details with respect to the subjects he dealt with, although I do wish to speak on some of the problems confronting us in the West. I think our leader is to be congratulated on the comprehensive manner in which he discussed the situation I also admired the candour and courage of the member for Centre Winnipeg (Mr. Woodsworth), who very often stands alone but is not afraid to voice his convictions, and who it seems to me, stands out sometimes like a prophet of old and reveals conditions as he finds them in our national life.

I think the Speech from the Throne is the best that I have heard since I became a member of this House. It is comprehensive in its treatment, and I think it truly describes the conditions obtaining to-day in this country. I was glad to find the subject of tariff reduction mentioned. It is, of course, a subject on which everyone can speak, to a certain extent, with ease, but I wish to say to my constituents at home and to the people of Canada generally that I do not believe that even tariff reductions are a panacea for all the ills from which we are suffering, although it is a step in the right direction. I was pleased to note that there would probably be a reduction of the tariff on implements. It may be true that certain of our implement manufacturers have lost a great deal of money and have gone out of business; but it is also true that thousands of farmers, who also had large investments in land and equipment, have been similarly unfortunate and lost all their capital, and there is no reason why fifty-two per cent of our population should be made to suffer for the sake of a few.

But it seems to me that the manufacturers have already anticipated the promised tariff reduction, because long before I came East it was stated by the implement agents in the West that the prices of implements had gone up at least ten per cent. Even if the government were to place agricultural implements on the free list the price to the farmer would be just the same as heretofore unless the dumping clause is repealed.

Of course, this tariff reduction will remove a grievance which the West has had against the East, and this in itself is I think a splendid thing. It has always been a grouch with the western farmer, a grouch which has always troubled the Liberal or any other party in the West, and the removal of this grievance will go a long way to bring the people together in that national unity which we so much desire.

With regard to the economic outlook in the West, it is quite true, and nobody in this part of the House wishes to deny it, that we have had the most bountiful crops. Providence has helped to solve the problem of removing our difficulties. And if it could be

said of the government and of the capitalistic interests that they had done their share to that end we would be considerably nearer that prosperity which is so desirable. But when we as a people compare the prices in the reports that come to us from Ottawa, which show that so far as the farmers' commodities are concerned the ratio between what we sell and what we buy is 100 to 159 per cent, treating 100 as the basis before the war. If it was difficult for the farmer to make a profitable living before the war on a 100 to 100 per cent basis, it will be readily seen how impossible it is for him to do so when the basis is 100 to 159 per cent. So, for that reason, some means must be devised whereby this discrepancy can be removed and prices of commodities which we have to purchase brought down to the pre-war basis if we are to become prosperous or even to remain on the land.

The leader of the opposition (Mr. Meighen) mentioned that as a result of the failure of the wheat board legislation we were endeavoring to form a wheat pool to market our wheat. This is quite true, and a great many people believe that it will help us considerably, but I do not think we should be too sanguine of the results that may be obtained. We may be able to save a few cents by this method, but when we come to scan the world's economic and industrial position at the present time it appears to be impossible for us to raise the price of wheat in the world's market to any great extent. Take the position of Great Britain to-day; she buys the largest amount of our grain. At the present time her industries are almost at a standstill. It is reported that on the Clyde where sixty great shipbuilding yards used to employ over 96,000 people, today only about one-half of the yards are in operation with only one-third of the men in employment. As the result of the non-recovery of Europe Great Britain's manufacturing output to-day is not 50 per cent of what it was in pre-war times. So just as long as we have these conditions in Europe we cannot expect to increase the world's market price of grain. Therefore the solution for our troubles is not to be found in that direction. Pending the recovery of Europe, which will take a long time, there is something that Canada can do, and it is this I wish to emphasize to-night. I remember reading a statement which was supposed to have been made by the Minister of Agriculture (Mr. Motherwell). Dealing with the much-needed branch lines in the West—of which I shall speak later—I understand that he said in Moose Jaw, referring to the Senate: We are waiting for the Lord to reform the Senate by death, but He has not been working very hard. I do not think it is much good waiting for Providence to solve all our problems; we ought to be able to take some steps ourselves towards their solution. When we go into the costs of production we find that in the case of the farmer these costs are too great.

When I was coming down to the opening of the provincial legislature in Regina, I happened to meet one of the members there. He did not know me, and he did not know I knew him, and began to speak of the farming situation in this country. He said something like this: It is not the fault of the government or of our present system; it is due to the false position of the farmer on the land. It is impossible, he contended, for any man with a family to make the farm pay if he goes on in the way that he does at present. Thirty or forty years ago in Ontario we lived on the farm; we never went to the town; we manufactured all our own things; and he had come to the conclusion that no Britisher, no Canadian, could really live on the farm and that the best thing to do would be to get people from Europe who could go on the land and stay there, who would never go to the town or to a picture show. Well, if that is the real economic foundation of living on the farm to-day, then I say that it is far better for us as a nation to go out of agriculture. But I believe that it is possible to live on the farm and have a comfortable existence if the conditions are made right. The first thing I would emphasize is the necessity for a reduction in freight rates. I do not see why it should not be provided in legislation that from the time the farmer places his grain on the car until it reaches the point nearest its destination it should not be interfered with, thus avoiding a great many charges, and if that is done there is no reason why the freight rate should not be lowered.

It was pointed out by my leader (Mr. Forke) that there should be a revaluation of the railways. We shall never make the Canadian National Railways pay on the basis of the purchase price. I have for two years urged in this House that this be done, and I believe it is the only business procedure to follow. Let us revalue the lines, put them on a business basis, and then I am confident that in competition with the Canadian Pacific or any other railway we can carry the farmers' wheat much cheaper than we are doing at the present time.

A few months ago some of the farmers in my district decided to send a car of turkeys to Toronto. I understand that a car of coal can be sent from Alberta to Toronto for $400, yet when they shipped that carload of turkeys and sent a man along with them it cost in the neighbourhood of $1,200. Why the discrimination? As long as conditions of this kind exist we shall never be able to make farming pay.

Just here I would like to say a word in regard to diversified farming, as it is called. How many of our farmers would succeed under present market conditions if they all went into diversified farming? I have spoken to the dean of the University of Saskatchewan on this subject, and he expresses the view that diversified farming is our only salvation. The Minister of Agriculture (Mr. Motherwell) has gone all over the country and he tells us the same thing; he can point to men in almost every district who have gone into this kind of farming and have succeeded in greater or less degree. But if every farmer in the district attempts to do the same thing, what is the result? Why, there is no market. Let me give you an instance: The cry was raised that we should go into the raising of chickens, turkeys, and so on; the year after some of the women on the farms did go into it and they got 25 to 35 cents a pound for their poultry. This year nearly every farmer's wife in the district did her best to raise turkeys, and the result was that some of them got as low as 11 cents a pound. If a breast bone happened to be a little crooked, 5 cents a pound was taken off; if in killing the bird they broke the wing, it went by default; anyway, the farmer got nothing for it. I do not know who got it. Now, I am not running farming down, but I want to show you the conditions. In our district we decided that we would give $5 to different high school boys who would stay on the farm and show how much they could make with it. I know one boy who with his $5 bought three ducks, one drake and a dollar's worth of food. He was able to raise thirty-four number one prime ducks. He looked after them the whole year, then he made a box and shipped them down to Pat Burns; and in return for all his work he got the magnificent sum of $2.90 over and above the purchase price. Do you think you are going to interest educated boys on any basis of that kind? These little instances may not amount to much but they impress our educated youths and cause them to decide to divert their energies into some more profitable channel. Therefore I would impress upon the government the need for reducing the costs of production. I may point out that I have one instance where, of the total sum received for a number of turkeys, the commission man got one-quarter, freight consumed one half, and the man who raised them got the other quarter. How can we continue diversified farming under conditions such as these? I believe the time is coming when the great leaders in Canada should get together, and, not in the spirit of party politics, a spirit which was displayed here last night; not in revealing terrible conditions as we heard them revealed, but with the interests of the people only in view, should sit down and devote their best abilities to arriving at some solution of our problems which will have the effect of bringing about contentment and prosperity.

I believe that the development of any important outlet for our grain and other commodities should receive attention, and I am of the opinion that the Vancouver harbour improvements, which have received a great deal of support from this government, will be highly beneficial to the West. I would like to mention also in passing that the Hudson Bay railway is a necessity. Of course we do not know whether or not it will be a success, but there is one thing that I think the western people deserve: they have been promised this railway and until it is tried out in actual experience no one in this House has any right to say that it will be a failure, I believe that the Hudson Bay railway will be one of the greatest benefits to our farmers in the West.

In regard to this question of diversified farming, I have an article which has some bearing upon the subject. We know that the embargo has been lifted from the export of cattle from this country to England. What price do we get for the finest quality beef at the present time? Three and four cents, and under present conditions it is not being raised at a profit, and any profit we might have on the British market has been swallowed up by the steamship companies. I do not see why this thing cannot be broken. Why, I understand the cost has been raised from $15 to $25 per head. It has been said by a notable authority that cattle can be carried overseas at $10 per head. The difference between $10 and $25 would make all the difference in the world to the cattle raisers in the West, and I think the hon. Minister of Agriculture (Mr. Motherwell), who claims that he has the western situation at heart, should see to it and by every means in his power endeavour to break that monopoly which seems to exist in the shipping industry at the present time. I do not like to call down our merchant marine. It cost $70,000,000 of the Canadian people's money, but if we cannot break the

combine in any other way, let these vessels be converted and be put on the ocean, and let us show to the world that these cattle can be carried overseas at the minimum rate per head. That is the only way I think in which we can solve some of the difficulties.

Now I want to speak for a moment or two in regard to the branch lines. I understand that the government is bringing down once again this year the three-year programme. I do not think this government has any right to prejudice the case of the branch lines in the West or in the East by bringing down a programme which they know will possibly not pass the Senate. The Senate has been blamed for a great many things. Possibly the Senate did right last year in stopping the programme of three years. We have in this parliament every year an estimate for the Welland canal, for instance. It was estimated in the first place that the Welland canal would cost possibly $70,000,000. That estimate was later increased and I was told by one of the ministers that it might reach the sum of $100,000,000, but the government has never so far come to parliament and asked us to pass $100,000,000 to cover the work over a series of years on the Welland canal. They have asked us to pass eight or seven or eleven million dollars from year to year for the maximum amount of work that can be carried on that year. Why cannot we deal with the branch lines in the same way? Let the government come down with an appropriation in the railway estimates for branch lines and ask for a sufficient amount to carry on the maximum amount of work that can be done this year. I am quite sure that if that were done this parliament, every part of it, would vote the money gladly, and even though it may take three years to finish the work once it is begun, there is no reason why this parliament should not vote from year to year sufficient money to carry on the programme. For that reason I sincerely hope that instead of prejudicing the case by bringing forward a three-year programme, or trying to reform the Senate if it needs reforming, the government will bring in a programme for one year that will appeal not only to members of the House but to members of the Senate as being constitutional in procedure, and then I believe that the West and the East will get our much needed railways. I have a little clipping here in which the hon. Minister of Agriculture throws the whole blame upon the Senate. He may be correct in his judgment, but at the same time I hope there will be no failure this year, and that the much needed branch lines in the West and in the East will not be prejudiced by unconstitutional, if it is unconstitutional, procedure.

We heard a great deal last night in regard to our national outlook, in regard to the burdens of our country which to a large extent are post-war in their nature,

10 p.m.

but any student of the great war and of subsequent history will admit that Canada has been very fortunate and that we have passed through the reconstruction period possibly better than any other country in the British Empire. I look with a great deal of optimism to the future. I do not see why we who have been more fortunate than any other country in the British Empire in that respect should be pessimistic in regard to the ultimate lifting of the great burden of taxation on the people. It is stated that we have a huge national debt, but should we despair when that debt is smaller than that of any other country in the British Empire? The national debt of Canada, per capita, is $270.12, as compared with $359.60 for Australia, $811.90 for New Zealand, $533.05 for South Africa, and approximately $850 for Great Britain. Why if it is possible for Ramsay MacDonald to look forward with hope and optimism to solving the problem in Great Britain where the national debt per capita is almost four times greater than our own, is it not possible for our public men with their brains and capacity and their national love for Canada to solve a much less problem? I believe that it can be done, and I hope that the best men of the nation will get together and see to it that nothing shall stand in the way—no political party, no interference of any kind. Let the solving of that problem become one of the greatest issues before this parliament at the present time.

In conclusion, I just wish to say a few words in regard to immigration. Last year I spoke at length on the Immigration Bill that passed through the House, and I think I took a very moderate attitude at that time. I want to say that as far as my own municipality and my own constituency are concerned, we need men to fill up the gaps made by those who have left. I went to the clerk of my municipality before coming down here. We had a splendid crop and I asked him, "What is the auditor's report in regard to the residents of this municipality?" He said, "There are eighty less residents than we had last year." Eighty less residents in that one municipality. That is very disheartening in regard to schools, in regard to churches, in regard to the village life and the social life of the community. We must change these

conditions so that our men, the finest brawn that can be found possibly anywhere in the world, can stay and live at home with us. I believe that these men are superior in every way to any people you can bring into this country, I do not care where they come from, and the people who live here and belong to this country have the right to the first consideration on the part of any government in this country. I trust that these vacant places will be filled up in such a way that our schools and our churches and our village life will go on in the way it has been going on in the past. I hate to see great stretches of our country devastated as a result of people leaving us and though I believe that as a result of the good crop the people are in much better circumstances than before, having received the benefit of the crop, yet a great many of them were so deeply in debt that they saw no way of recovering themselves and many moved out while they had the opportunity and while the going was good. I believe that so far as the farmer is concerned, although he may not have more money at the present time, he has paid some of his back debts. But what I do say is this, that our bank collectors and other collectors have been on the scene ever since the noise of a good crop went out, and they have collected almost to the last farthing, and they have left the farmer in some instances in pretty poor circumstances. But with a continuance of good crops and a continuation of the good treatment of the people by Providence we may be able, in the course of a number of years, to overcome the existing situation. I think the problem can be solved much more quickly than by merely waiting for the effect of good crops. We can remove the drawbacks that are detrimental to the great basic industry of our national life. But acompaning this there must be prudent action in our homes, in our villages, in our municipalities, and in our governments provincial and federal. There must be mutual co-operation between the people and their representatives in the direction of helping to bring about a reduction in the cost of living and a return of peace, happiness and prosperity is assured to this great Dominion.

On motion of Mr. Marler the debate was adjourned.

On motion of Mr. Mackenzie King the House adjourned at 10.04 p.m. until 3 o'clock p.m. Thursday.

Thursday, March 6, 1924

The House met at three o'clock.

REPORT

Public accounts for the year ended March 31, 1923—Hon. Mr. Robb.

PATENT ACT AMENDMENT

Hon. T. A. LOW (Minister of Trade and Commerce) moved for leave to introduce Bill No. 4, to amend The Patent Act (French version).

He said: The intention of the bill is to correct an error that occurred in the French version of the act passed last session. In the English version a period of one year is given in which application may be made for a patent and in the French version the period is two years. The bill seeks to correct that error.

Motion agreed to and bill read the first time.

DEPUTY RECEIVER GENERAL'S OFFICE, TORONTO

On the Orders of the Day:

Mr. W. F. MACLEAN (South York): Will the Acting Minister of Finance (Mr. Robb) please inform the House and the country when the Deputy Receiver General's office in Toronto ceased to function as a place for public deposits at interest, with right of withdrawal in Dominion notes, and whether it is true that deposits on similar terms are still being received by the Deputy Receiver General's office in British Columbia and in the Maritime provinces. If not to-day, I should like to have an answer to the question on another occasion.

Hon. J. A. ROBB (Acting Minister of Finance): If the hon. member will place his question on the order paper I shall see that the information is secured.

Mr. MACLEAN (York): As a matter of practice I think I am entitled to ask the question on the Orders of the Day.

Mr. SPEAKER: The question is rather complex, and it might stand for answer until another day.

Mr. MACLEAN (York): Very well; I should be glad to get the information, however.

PRIVILEGE—Mr. MACDONALD (Pictou)

On the Orders of the Day:

Hon. E. M. MACDONALD (Minister of National Defence): Mr. Speaker, I rise to

a question of privilege. A few days ago in my absence, as I note in Hansard, the hon. member for Centre Winnipeg (Mr. Woodsworth) made a reference to myself in the following words:

> Perhaps I should add that the Nova Scotia workers point out that the Minister of National Defence . . . has been, if he is not still, the solicitor for the coal companies.

I desire to say that I am not solicitor for the coal companies, nor for any other company, nor any person whatever.

THE GOVERNOR GENERAL'S SPEECH
ADDRESS IN REPLY

Consideration of the motion of Mr. Kelly for an address to His Excellency the Governor General in reply to his speech at the opening of the session, resumed from Tuesday, March 4.

Mr. HERBERT MARLER (St. Lawrence-St. George): Like other members who have preceded me, I beg to congratulate the mover and the seconder of the Address on the admirable manner in which they portrayed the situation to the House. Both hon. gentlemen discharged the task with honour not only to themselves but also to the House to which they belong. I desire also to extend congratulations, if he is willing to accept my congratulations, to the leader of the Progressive party (Mr. Forke) on the way in which he, too, placed his case before the House on Tuesday last. While I am free to admit that I cannot entirely agree with all that the hon. member may have said, nevertheless he brought forward his policies and the policies of his party in a straightforward and manly way, in a way, indeed, that every member of the House could well understand.

I have heard it stated on another occasion that this debate was a more or less innocuous proceeding. I cannot view the debate in such a light. On the contrary, I believe it is a very important proceeding, enabling the government to hear the views, through hon. gentlemen, that are held in the constituencies they represent. I think it is the duty of every hon. member so to enable the government, by such expressions of opinion, to formulate policies for the good of the Dominion as a whole. You are aware, Mr. Speaker, that I represent in this House the division of St. Lawrence-St. George of Montreal. I do not think it is improper to say that that division is an important one, perhaps one of the most important in this Dominion. It is important by reason of its commercial and financial activity, by reason of the wealth and learning of its people, and by reason of its undoubted devotion to the public good. I think I can safely say that no one can accuse the people of that division of narrowness nor of any lack of public spirit; and least of all can anyone accuse them of any failure to contribute to the taxes of this Dominion, for the administration of its affairs and for its development, a very considerable amount. Other qualifications these people have also; and I would ask hon. members to bear with me for a moment in that regard. The people whom I represent in this House are strong in their traditions. They reverence those old British and French traditions which in their opinion go so far as to make a nation idealistic rather than materialistic. And materialism, I think it is not improper for me to say may be found in many parts of this continent, more particularly outside of this Dominion. In addition to that, the people whom I represent are anxious to see maintained as their right and heritage the exercise of the English and French languages; and they desire to enjoy for all times the free and undisputed exercise of their various religions. All these things they regard as essential to good Canadianism. These traditions they cherish and desire to have maintained. While I am free to admit that what I have stated in this regard may strike some as being mere words, nevertheless, to the people I represent, and as well, if I may presume to say so, to the great mass of the people of Montreal and of the province of Quebec, these same sentiments form a part of their daily lives, and they should be cherished and preserved for all time. It appears to me that they can be preserved only so long as this Dominion remains a free nation, both politically and commercially, under the British Crown. And it can remain free and retain its identity as such only so long as it progresses, and expands, and retains its population. If it loses its population, if it fails to go forward, if it retrogresses, then its identity will undoubtedly be lost; and when that is gone, beyond the shadow of a doubt those traditions to which I have alluded will also be lost. That is one of the reasons, Sir, why I lay so much stress on the points which I have dealt with so far.

That being the case, there is a certain amount of alarm felt, and I think rightly felt, when we notice the lack of increase in population, and more so when we consider the great exodus of our people in the last few years. Happily the tide inwards is now increasing. But unfortunately the tide outwards is still very serious. Indeed if we look back and realize that for four long years this country poured out its blood and treasure,

and for five years more has been subject to the most heavy imposts—when we realize all that and see our population still leaving us, some of us wonder if all those sacrifices have been made in vain.

I think, Mr. Speaker, that we should be amazed at the emigration of our people which has taken place to the United States, and which has been in progress for some years past. My right hon. friend who leads the opposition (Mr. Meighen) dealt with this very point in his address before the House a few days ago. He spoke with the most meticulous care of this loss of population within the last year, he quoted figures month by month, and it seemed to me that he endeavoured to lead the House to believe that this emigration had taken place only in the past two years.

Mr. MEIGHEN: I gave the figures for three distinct and complete years.

Mr. MARLER: Well, I have no doubt whatever that my right hon. friend stressed only the last couple of years.

Mr. MEIGHEN: They are the worst.

Mr MARLER: How much the worst?

Mr. MEIGHEN: About four times.

Mr. MARLER: From when?

Mr. MEIGHEN: From 1923. They are about four times worse than 1921.

Mr. MARLER: What about 1920 and 1921?

Mr. MEIGHEN: I say 1923 was about four times 1921.

Mr. MARLER: Very well, we shall now have the correct figures so we can see definitely the actual position. Although I am quite free to admit that this is a serious matter, it is no more serious under this government than it was under the past government. The figures I am about to quote are taken from precisely the same source as that from which my right hon. friend derived his figures, the Department of Labour of the United States. For the two years ending 30th June, 1919, 90,234 people left Canada for the United States; the two following years ending 30th June 1921, 162,342 left. Does my right hon. friend shake his head and say that is not correct?

Mr. MEIGHEN: I do not think the figures are quite correct.

Mr. MARLER: I would strongly recommend my right hon. friend to look up these figures himself. He will find that they are correct, because I took them from exactly the same book as he himself used.

Mr MEIGHEN: Go ahead, what is the deduction?

Mr. MARLER: The deduction is this. For the two years to the 30th June, 1923, 163,000 people left as against 162,000 in the preceding two year period.

Mr. MEIGHEN: Yes, but what about from June on to the end of the year?

Mr. MARLER: The end of what year?

Mr. MEIGHEN: The end of 1923. Why does the hon. gentleman stop in the middle of 1923 when the worst months are those that follow?

Mr. MARLER: My right hon. friend is always most careful to fit in his figures to some broken period; he never takes a complete year.

Mr. MEIGHEN: No, I took the whole year, but you are breaking it in the middle.

Mr. MARLER: My right hon. friend is quite wrong. I am not breaking the year in the middle, I am taking the official year of the United States authorities.

Mr. MEIGHEN: Take the calendar year.

Mr. MARLER: Calendar year? We heard about calendar years in Montreal, and I shall go into that later on. Let us take completed figures, and not partial, such as my right hon. friend did.

Mr. MEIGHEN: Does my hon. friend say that my figures are wrong to the extent of one man?

Mr. MARLER: I say these figures are absolutely right. The comparison shows absolutely that the departure of our population to the United States was just as great under his government as it is under the present administration.

Mr. MEIGHEN: That is nonsense.

Mr. MARLER: Why is it nonsense?

Mr. MEIGHEN: Because the hon. member leaves out the worst months that apply to this government.

Mr. MARLER: I do not leave out any months at all, I take the United States fiscal year and I stand by these figures absolutely. I challenge my right hon. friend to say they are wrong.

Mr. MEIGHEN: But that does not bring the figures up to date.

Mr. SPEAKER: Order.

Mr. MARLER: No, but distorting figures in this way—

Mr. MEIGHEN: Try not to, then.

Mr. MARLER: However, Mr. Speaker, while this is a very pleasant digression, it does not cover the point that I desire to stress. This exodus to the United States is a very serious matter for us in Canada, and while some in this House and some outside will say that it is only temporary, as a matter of fact it has continued for the last ten years, and the balance in favour of the United States in that period exceeds the total arrivals to the Dominion from that country. Others will say that these Canadians will return to the Dominion. Well, if that be so, why do we find in the United States to-day over 1,200,000 Canadian-born of whom 307,000 are French-Canadians? And why do we find in the mills of Massachusetts alone 260,000 Canadian-born of whom 108,000 are French-Canadians? Unfortunately these figures are only too true, you may read them to the left or to the right and then up and down and you will be forced to one conclusion only and that is that we are losing some of the best of our population to the nation to the south. Of course, if this had happened before the war possibly we would not have felt the same degree of anxiety as we feel to-day, but our position now is quite different from what it was then. Before the war we had not the heavy debt entailing the payment of some $140,000,000 a year in interest alone; we had not 22,000 miles of railway which can only be operated at a profit with ample traffic; we had not so far extended our systems of canals and elevators—and I am not criticizing this condition of affairs, I am simply taking the facts;—but we have all these things to-day and, wisely or unwisely, as the case may be, we have extended ourselves to accommodate a population five times as great as we can now boast. And yet, with only nine million people, we are still losing population.

It is usual to say that we desire more people to come to this country for the purpose of helping us pay our debts and to share the load which we are carrying. That is not our attitude at all. What we mean is that we desire more population to share with us in bringing to the greatest degree of productivity those great advantages which we enjoy and which, in my opinion, no other country in the world is so richly endowed with. That is the attitude we take in asking people to come here; that is the attitude we take in asking our own people to remain in this country. But unfortunately, although these reasons should appeal to any Canadian who loves his country and who wishes to see it advance, they do not appeal to as many as we should like. Why is it that we cannot retain our population? I do not think we have to go very far for an answer: as I see it, it is because we do not provide in this country enough steady and profitable work to go round.

Some hon. MEMBERS: Hear, hear.

Mr. MARLER: I do not see why the applause should all come from the opposition side. Well, we cannot ask as many as we would like to come to our cities; because we feel that there is not enough profitable and steady work to keep our artisans and others in continuous employment. We even feel that possibly we cannot ask as many to go on our farms as we would like to see go on them, because we are told—and I have no doubt that it is correct—that farming unfortunately does not always pay. In short we have not developed this country industrially and commercially to the extent that we should. The result is that our cities have not enough purchasing power for the farmer and the farmer has to pay more for his goods because we are obliged to manufacture too diversely instead of in large quantities. Furthermore, our production is not such as to give our railways a sufficient amount of business.

I think it is fair and sound reasoning that we in Canada should make ourselves not dependent rather than dependent on others, because in that way we shall build up our cities and develop our home market, and still have our export market in reserve. Therefore it is necessary that our policies should be such as to enable the farm to pay and our industries to live and in this—I see nothing incompatible or impossible, if only, instead of looking at the immediate present as we are wont to do, we turn our eyes to the near future. To dismiss an argument of that description in a few words is, of course, next to absurd.

Many things have to be done, many policies require to be adopted before our position can be altered. One of the questions which has a bearing upon our position industrially and agriculturally—and I will say with all due respect to my hon. friends of the Progressive party that I do not think they quite see how seriously it has affected them—is the question of taxation. Taxation as it exists and has existed for some time past is bound

to affect any industry or profession—and it affects industry whether it be commercial or agricultural in its character. Before the war we raised our revenue by means of customs and excise. In 1914 we raised from customs and excise $126,000,000 out of a total revenue of $136,000,000, excluding post office and railways because the revenue and the expenditure under those heads just about balanced. With that $136,000,000 we governed the country; we expended such money as was necessary, and with a very slight addition to our public debt we went our way in peace and happiness. For the period of about fourteen years before the war our public debt increased only to the extent of $67,000,000 odd, or less than $5,000,000 per year. That was all changed with the war, and instead of the old system of indirect taxation we had tax after tax imposed by other methods. Without doubt that taxation was necessary, and I am not at all questioning its propriety, but I am drawing a comparison between the taxation which was in vogue in this country before the war and that which was imposed subsequently. As I have said, after the war, tax after tax was imposed. We had the income tax, the business profits tax, the taxes imposed under the Special War Revenue Act; various other taxes were imposed and still prevail. In 1923 we collected $154,000,000 from customs and excise, or comparatively little more than we collected in 1914, whereas from direct taxation we collected $199,000,000. In other words, direct taxation was greater than the old indirect taxation which in the past had been in vogue.

In 1914 our total revenue from all sources was $163,000,000. In 1923 our total consolidated revenue was $394,000,000. In other words, in that ten year period taxation had increased to the extent of 225 per cent, while our population had increased in the same period by around 1,200,000 or a little over 15 per cent. That meant that a population only slightly increased had to bear an enormously increased load of taxation. And what was the effect of this taxation? There could only be one effect, nothing else could happen, any tax that is imposed, no matter how or where it is imposed or how it is collected, must be borne by one person and one person only, namely the consumer—that is where the tax eventually rests; it cannot be otherwise; there is no in-between point where that tax may land and remain; it goes on down the line until the consumer, buying his boots, shoes, farm implements or anything else, has to include it in the price he pays for the goods. So that, when taxation like that has been imposed; where it has been necessary, in part at least, to impose it, we cannot wonder that the struggle for life has become more and more acute. We cannot wonder perhaps that our population is leaving us. We cannot wonder perhaps that some part of our population casts eyes on other countries where taxation is lighter and where the struggle for life is not so acute. But if we want prosperity in Canada we must have population; that is essential. Increase in taxation or the imposition of heavy taxation means a diminution in our population, whereas lighter taxation in any form means an increase in population.

A great deal has been said in the public press and elsewhere, even by my right hon. friend who leads the opposition—and he has been most vehement in his remarks—about the reduction of taxation. Some have stated that the taxation should be reduced by ten per cent, others twenty-five per cent, and so on. Various opinions have been given, but as a matter of fact, with all due deference to these various opinions, Mr. Speaker, they do not get us very far. They do not help us very much. They are far too general. They lack distinctiveness and definiteness in every respect. There is nothing on which one can hinge an opinion at all. I believe in spending less money; I have said so on the floor of this House time and time again. But those we have to look to as regards spending less money in this country are the people of Canada themselves, and it does not matter what this or any other government does, unless the people of Canada are willing to do without the things they have now and are willing to restrict their expenditure, taxation will never, and can never, be reduced in this country. If we are to proceed as we have proceeded certainly to some extent in years past, with everybody desiring to be government employees in this country, never in the wide world can taxation be reduced. If the provinces come forward, as they have come forward, and ask the Dominion treasury to put up money for matters that the provinces themselves should have undertaken in the past or should undertake now, then without the slightest shadow of a doubt taxation cannot be reduced. But let us turn to a happier trend of mind. We have, in so far as this government is concerned, spent less money. My hon. friend from West York (Sir Henry Drayton) smiles. We have spent less money. A great deal of the money which this government had to spend was not due to its fault at all, it was the making of the hon. gentlemen who sit opposite.

Mr. MEIGHEN: I have no objection to taking the credit for making the money.

Mr. MARLER: I do not grasp the ambiguous answer which my right hon. friend has given. How has he made money for the country?

Mr. MEIGHEN: That is what the hon. gentleman said. He said the money they had spent we had made. I think that is correct.

Mr. MARLER: I was not clear just what he meant. No, I put it the other way. The money has been spent in matters relating to legislation which my right hon. friend and his party put through. My right hon. friend has expressed his opinion on this matter on more than one occasion. He no doubt remembers his various journeyings in the province of Quebec. The province of Quebec was very ready and very glad to see my right hon. friend; the city of Montreal was very glad to see him and to listen to him. He no doubt will remember the address which he made in the city of Montreal in January last, in that gilded hall, surrounded by his ex-cabinet ministers, ex-bankers, ex-shipbuilder and various others, to some of the people of Montreal. Of course, we were not all expected in that gilded chamber. The ordinary people like myself listened in from our humble homes, but unfortunately, it may sometimes be, in these modern days and the ever-present press, that which a prominent and able man like my right hon. friend says is invariably recorded and given to the world. I intend to read one or two extracts from the speech that my right hon. friend made that night. He said:

To return to expenditures, up to 1920 restriction had not been possible. But from April 1st to December 31, 1921—

That, of course, is during the fiscal year 1922.

—there had been a reduction of expenditure in ordinary revenue totalling $44,000,000. In the same period of 1922—

That is, from April 1 to December 31, 1922, being part of the fiscal year 1923.

—no reduction had taken place, but there had been an increase of approximately half a million dollars. And in the same period, 1923—

That is, from April 1 to December 31, 1923, being part of the present fiscal year, 1924.

—there had been a reduction of about $1,500,000.

Then he goes on to speak of capital expenditure and is reported in these terms:

In capital expenditure for the first nine months of the fiscal year 1921—

That is, from April 1 to December 31, 1920.

—the reduction had been $20,000,000. In the same period of 1922 the reduction had been less than $3,000,000, while last year the reduction had been less than $1,000,000.

Now, with my hon. friend's permission, let us examine somewhat in detail that statement which he made to that well-picked crowd in Montreal which had been brought together to listen to his speech, but which the poor and humble people like myself had to listen to in another way.

Mr. MEIGHEN: It was a public meeting.

Mr. RYCKMAN: How much does a radio set cost in Montreal?

Mr. MARLER: A very small amount, but it was quite worth the amount for what we heard that night. My right hon. friend said that restriction up to 1920 had not been possible. He will correct me if I in any way inadvertently misquote him in reading from a newspaper report of his speech.

Mr. MEIGHEN: "Reduction," I said.

Mr. MARLER: It is reported as "restriction", which is very much the same thing; let us use that word. Up to 1920 restriction of expenditure had not been possible, according to my right hon. friend. I suppose he meant that restriction had not been possible on account of the war. He nods his head, and I expected him to nod his head at that, because, no matter how prodigal and extravagant he was in any expenditure, in any action which was not taken that should have been taken or any action that was taken that should not have been taken, on the public hustings he always laid it to one of two causes, the war or unemployment, one or the other.

Mr. MEIGHEN: Oh, no; very often to the railways that my hon. friend's friends built.

Mr. GRAHAM: To the ones that you bought.

Mr. MARLER: It will be found that in this case my right hon. friend did not attribute the extraordinary expenditure to railways; he put it down to war and unemployment These are his two trump cards on which he relies in one case or the other as the occasion may demand. I suppose that none of these restrictions were possible at all not even in that monument of efficient bungling—the merchant marine.

Mr. MEIGHEN: No, the Liberal convention decided that it was not possible in the case of the mercantile marine.

Mr. MARLER: The Liberal convention had nothing whatsoever to do with the merchant marine. The merchant marine was a product of the brain of the government of my right hon. friend. Not one ship was put into the water except under that government. First of all, they were being built by the Imperial Munitions Board; my right hon. friend's government took the building out of the hands of the Imperial Munitions Board and decided to create, themselves, a great Canadian mercantile marine. That is what happened. Is the right hon. member ashamed of that policy; it was simply a mistake on the part of the government of my right hon. friend. Very well, why do they not acknowledge their mistake?

Mr. MEIGHEN: Because I differed from that view. The hon. gentleman differed from it too in 1919, because he castigated us for not building a mercantile marine for all war purposes.

Mr. MARLER: I am much obliged to my right hon. friend for reminding me of what occurred in 1919. Unfortunately for my right hon. friend I was not in the House when these merchant marine estimates went through the House. Had I been in the House they would not have gone through, and my right hon. friend would not have been landed in these difficulties.

Some hon. MEMBERS: Oh, oh.

Mr. MARLER: I suppose my right hon. friend will say to me in a moment that he went into all these things with a light heart. Will he say that?

Mr. MEIGHEN: I will say what I want to say.

Mr. MARLER: Certainly. Well, I venture to say this: If my right hon. friend did go into these things with a light heart he would have been glad to have got out of them with a fleet foot.

Mr. MEIGHEN: Has the hon. gentleman got any knowledge of what the present management of the National Railways has recommended in regard to disposing of the mercantile marine?

Mr. JACOBS: The railway management recommended the acquisition of the Hotel Scribe.

Mr. MEIGHEN: Hear, hear.

Mr. MARLER: My right hon. friend stated there had been a reduction in expenditure totalling $44,000,000. That is for the period from 1st April, to 31st December, 1921. Why does my right hon. friend take broken periods?

Mr. MEIGHEN: Because that was the period given in the return I asked for from the Finance department.

Mr. MARLER: What has that got to do with it?

Mr. MEIGHEN: Oh, oh.

Mr. MARLER: My right hon. friend made all the estimates for the fiscal year 1922. There is no question about that. But in any event up to the 31st March, 1922 there was not a reduction in the expenditure for that year of $44,000,000, there was a reduction of some $13,500,000, and the reduction at that time was due solely to the fact that war services had been diminished to the extent of $20,000,000 and non-war services actually increased to the extent of $6,000,000. My right hon. friend declared there had been no reduction in the fiscal year 1923. As a matter of fact there was a reduction in the fiscal year 1923 of $15,000,000.

Mr. MEIGHEN: Does the hon. gentleman say that my figures were wrong in any respect?

Mr. MARLER: Yes.

Mr. MEIGHEN: I have the return with me that I got the figures from.

Mr. MARLER: The point I want to make, and my right hon. friend may differ with me, as this—

Mr. MEIGHEN: Answer yes or no.

Mr. MARLER: I have heard my right hon. friend ask the "yes or no" question too often. That is getting to be an old story.

Mr. MEIGHEN: It is quite easy for any hon. friend to answer yes or no.

Mr. MARLER: The right hon. gentleman thinks a "yes or no" answer is quite sufficient for all these purposes. He could have obtained any statement he wanted from the Finance department. Let me state that during the fiscal year to which I have reference the reduction was not $44,000,000 but was $13,500,000. I repeat that the reduction for the following fiscal year was over $15,000,000. It was not the case, as my right hon. friend said, that there had been an increase of approximately half a million dollars.

The right hon. gentleman then went on to discuss capital expenditures. He said that for the first nine months of the fiscal year 1921 the reduction in capital expenditure had

been $20,000,000; and in the same period of 1922 the reduction had been less than $3,000,000; and the reduction from 1st. April to 31st., December, 1922, had been $1.000,000. Now if we go back to the year 1919 and take the fiscal years in succession, we find that the increase of 1920 over 1919 was $44,-000,000. If we take the year 1921 we find there was an increase of $34,000,000 on capital and railways; and in 1922 there was a reduction of $23,000,000.

In another part of the same speech my right hon. friend said that must be done. Taxation must be reduced, the cost of departmental activities in the government must be cut, as it could be cut—the Conservatives had shown that. He says the Liberals had a chance to continue the work but had not the courage to brave the resistance and antagonism the policy had engendered. The right hon. gentleman attempts in that part of his speech to show that departmental expenditure had not been increased under his government. If he compares the departmental expenditure in 1914 with the departmental expenditure in 1922 and excludes war charges of every kind, he will find that his departmental expenditure increased to the extent of some $48,000,000 in that particular time. I can give my right hon. friend the figures.

Mr. MEIGHEN: I do not think you can.

Mr. MARLER: Well, let us have the figures.

Mr. MEIGHEN: What does my hon. friend count under war expenditure?

Mr. MARLER: I count under war expenditure everything relating to war.

Mr. MEIGHEN: Tell us what the expenditures are.

Mr. MARLER: The accounts for 1922 show an expenditure of $347,000,000 as compared with $127,000,000 in 1914, making an increase of $220,000,000, allowing for a deduction on account of sinking fund which is not shown in 1922. We will deduct from that: War interest amounting to $108,000,000; direct services due to the war of $60,000,000; the increased subsidies to the provinces of $931,000; and special items such as unemployment relief and Dominion elections of $2,339,000; amounting in all to $171.000,000, leaving a net addition not due to the war or to special events of over $50,000,000.

Mr. MEIGHEN: I do not know what my hon. friend included in that item of sixty million dollars. He may have included only half.

Mr. MARLER: No, I included all the items. Would the right hon. member like the details?

Some hon. MEMBERS: Yes.

Mr. MARLER: Pensions; Soldiers' Civil Re-establishment; Soldier Settlement Board; increased cost of collection of customs, income tax and business profits tax; external affairs, various special grants, such as Patriotic Fund, League of Nations, Battlefield Memorials and grants of that kind, $60,270,396.

Mr. MEIGHEN: There are lots besides that.

Mr. MARLER: Not relating to war.

Mr. MEIGHEN: Yes, directly relating to war.

Mr. MARLER: What does my right hon. friend refer to?

Mr. MEIGHEN: I would instance offhand the "Greater production" activities in the West under the Interior department.

Mr. MARLER: All that departmental increase, as a matter of fact, took place. There were increases in every department of the government at the time. Many departments increased by many millions of dollars. I do not see what claim my right hon. friend can make in saying the departmental activities had decreased.

Mr. MEIGHEN: Many of them had increased, but what I say is that the increase was necessitated directly by the war.

Mr. MARLER: How was the increase in the departments such as these necessitated by reason of the war—Agricultural Instruction Act which increased from $700,000 to $1,104,-000. Was that war?

Mr. MEIGHEN: No, I did not claim it was, but I observe that that was recommended to be continued by Mr. Duncan Marshall.

Mr. MARLER: What has that to do with it? Then we have Experimental farms, $626,-000, increased to $1,272,000; Health of Animals, $442,000 increased to $1,685,000.

Mr. MEIGHEN: I admit we were very generous to agriculture, but hon. gentlemen opposite said we were not generous enough.

Mr. MACDONALD (Pictou): That is not war.

Mr. MARLER: My right hon. friend was generous to the penitentiaries, too—the amount rose from $910,000 up to $1,527,000.

Mr. MEIGHEN: The inmates increased.

Mr GRAHAM: Bad government.

Mr. MARLER: He was also generous in the cost of Civil government which increased from $5,607,000 to $9,658,000.

Mr. MEIGHEN: Did not all salaries the world over increase during the war?

Mr. MARLER: All salaries the world over certainly increased during the war. The point I make is this; that my hon. friend clearly and distinctly stated in Montreal that he had decreased governmental activities, that the Conservative party had shown how the decrease could be made. Where is that decrease?

Mr. MEIGHEN: After the war, between 1920 and 1921, we decreased the Civil Service by over 9,000. That decrease was effected in eighteen months.

Mr MARLER: There is not a reduction in ordinary expenditure between 1920 and 1921; there was an increase between these years.

Mr. MEIGHEN: The civil servants who were let out received their salaries, not only to the time when they went out, 4 p.m. but up to the end of 1921 and a little later. Nevertheless, the numbers diminished by over 9,000.

Mr. MARLER: Why is this remarkable diminution not reflected in the expenditure now?

Mr. MEIGHEN: It is, but hon. gentlemen opposite are overcoming it by other expenditures.

Mr. MARLER: And then after that, in the same speech, my right hon. friend went on to say that,—"War liabilities had ceased, yet the government,"—meaning the present government—"was unable to maintain the rate of reduction in expenditures".

Mr. MEIGHEN: I said "diminish."

Mr. MARLER: He continues

That had reflected on the cost of living which by a chart—

I am glad to see he is using charts—

—issued by the Labour department showed the jump from the imposition of the Sales Tax, the Stamp Taxes and other Liberal financial measures. The cost of living had reached its peak in 1920. It was falling rapidly in 1921 but the Mackenzie King taxes stopped the fall and there had been no reduction since.

My right hon. friend further says—

It was one of the contributory factors to emigration from Canada to the United States which in 1923 had reached a pace truly alarming. Something must be done and done at once to stop it.

And then, in his very best form, he goes on to say—

Are we to sit by in silent, shivering impotence while these men trek right in front of our eyes into a foreign land? What must be done? Taxation must be reduced.

And later on he says—

The Sales Tax, raised from 1½ to 6 per cent, must be cut and so must other taxes.

Mr. MEIGHEN: Three per cent.

Mr. MARLER: My hon. friend was reported to have said—and I shall be glad to send him the clipping—that it was raised from 1½ to 6 per cent. Here it is clear and distinct. He states:

The Sales Tax raised, from 1½ to 6 per cent must be cut, and so must other taxes.

Mr. MEIGHEN: I said 1½ and 1½, it being divided. Hon. gentlemen laugh, but I do not think they understand this yet. If hon. members do not want the matter cleared they do not need to have it cleared. I usually in my speeches refer to our Sales Tax as 1½ and 1½, totalling 3, because we divide the expense of collection, but I never represented that it was 1½ to any audience in Canada.

Mr. MARLER: Well, that is what the listeners heard, or what they believed they heard.

Mr. MEIGHEN: The hon. member did not get it over the radio.

Mr. MARLER: The expression was perfectly clear and distinct in the city of Montreal that the Sales Tax had been raised from 1½ to 6 per cent.

Mr. MEIGHEN: They all know better than that in Montreal.

Mr. MARLER: However, that statement remains. It has been reported, and reported on more than one occasion, and has never been contradicted by my right hon. friend to my knowledge.

Mr. MEIGHEN: I did not read it. I knew I made the correct statement, and that satisfied me.

Mr. MARLER: Why does my hon. friend say that war expenditure had ceased in 1920?

Mr. MEIGHEN: I did not say it. I said it diminished.

Mr. McMASTER: Could these "asides" be rendered in a little louder voice, so that we in this part of the chamber might have the full benefit of it?

Mr. SPEAKER: Might I suggest to hon. members on both sides that, in a debate of this nature, it would be wise for hon. members to stop the interruptions and the cross-examination. I say it without any invidious meaning towards anyone in particular, but I think that for the dignity of the House the debate should proceed without interruption. Unless the hon. member interrupting addresses himself to the Chair on a question of order, or unless the hon. member who has the floor is inviting cross-examination, there should be no interruption.

Mr. MEIGHEN: May I explain, Mr. Speaker? The invitation came very directly, from the hon. gentleman, as he admits, and I admire him for it. If he would prefer it, I am quite prepared to be silent, and, except in a special case, I will not interrupt him at all.

Mr. MARLER: I am much obliged to you, Mr. Speaker, for the courtesy and kindness in making this suggestion. I have no particular objection to the interruptions of my right hon. friend. The point I am trying to accomplish is to have the truth known throughout the country, as to what the government has done and what they have attempted to do, and as to the burden they have had saddled on their backs since they came into power, and their inability to make any further reductions than have been made. When a prominent statesman like my right hon. friend comes to an important city like Montreal and makes these statements, which are heralded abroad in the public press—as a matter of fact they were spread broadcast in the constituency I represent—it is obvious that they must be corrected somewhere; and when I undertake to correct them I do so, not necessarily with the object of annoying or exciting my right hon. friend at all, that is not my purpose, but simply to get to the actual truth of the facts. We are only trying to have reported in the newspapers exactly what did happen, exactly what was done.

I trust you will overlook the digression, Mr. Speaker. My right hon. friend attempted in that speech to make it distinct beyond any misunderstanding that, notwithstanding the war and demobilization, the expenditure on the part of his government had diminished, and diminished very considerably. I do not think I misread his remarks in that respect. Very well. In the fiscal year 1920 the total expenditure, less war and demobilization, was in round numbers, $439,000,000; for the fiscal year 1921 the total expenditure, less war and demobilization, was $511,000,000, an increase of $72,000,000. For the year 1922, again comparing it with the year 1920, the total expenditure, less war and demobilization, was $462,000,000, an increase as compared with 1920, of $22,800,000. In 1923 the total expenditure, less war and demobilization,—and that was the first year that this government had an opportunity of making reductions—was $429,000,000, or a considerable reduction as compared with 1920. What was the result of the reduction which this government made? I admit that in 1923 the demobilization expenditure was small, but I have deducted war and demobilization expenditure from the other years as well so as to put the accounts on an equal basis and make a fair comparison. The reduction which this government made in 1923, as compared with the year 1920, was $9,269,000, while it was $81,000,000 less than in 1921 and $32,000,000 less than in 1922. These are the reductions which this government has made. I might add, for the benefit of my right hon. friend and of hon. members generally, that in the expenditure of 1923 there is an amount of about $6.000,000—to be exact, $5,979,000—for the merchant marine and another $5,000,000 for the Canada Highways Act, with which this government had absolutely nothing in the world to do. That would have made the net deficit in that year only $15,000,000. Now let me take the deficits that occurred during these years, because I want to lead up to the question of taxation and as to whether we can reduce those taxes or not. The deficits for the years 1920, 1921 and 1922, that is to say, the total deficits, amounted to $609,000,000. And yet, notwithstanding all this, my right hon. friend comes forward and declares that taxation must be reduced. He says that the Liberal government imposed taxes which they should not have imposed. Will my right hon. friend tell me how he expected the interest on the deficits to be paid? Was it to be paid out of the earnings of the merchant marine or out of those of the railways?

Mr. MEIGHEN: Does my hon. friend want an answer?

Mr. MARLER: Yes.

Mr. MEIGHEN: I should prefer to leave out the Belle river and Matane wharves, and hotels and other things. If that were done there would be no necessity to increase the taxes.

Mr. MARLER: That is not the point in question, nor is it the point I make. I am referring to an allegation, clear and distinct, which my hon. friend made without the

slightest ambiguity in the city of Montreal, to the effect that we imposed unnecessary taxes. He said that we imposed taxes. Of course we did: what else could be done but impose additional taxes? Were those deficits that were occurring year after year to be allowed to continue? Were they to be pyramided? Had we allowed that sort of thing to go on we should have reached the stage where further progress would have been impossible. As a matter of fact we had reached that stage in my right hon. friend's administration although he never thought that we had. He did not want to impose additional taxation; he saw looming up in the future another matter of greater importance, the election, and consequently he said, "No, I will not impose taxes." My right hon. friend is perfectly well aware that the taxes he imposed in the war did not even cover the interest on war expenditures. Does he deny that?

Mr. MEIGHEN: Did not cover war expenditures?—Certainly not. Did any country in the world do that?

Mr. MARLER: My right hon. friend knows quite well what I mean: it did not cover the interest on war expenditure and had nothing to do with war capital. The war capital is absolutely intact at the present time, $1,693,000,000, with a deficit in addition to that. And yet here is a statement made by my right hon. friend as appears in the Border City Star:

> Regarding the assertion of Premier King in his recent speech at Quebec, that the former federal government had paid nothing in the way of war debts out of taxes, Mr. Meighen flatly charges this to be a falsehood. In 1919 Great Britain had paid 27 per cent of the war cost out of taxation in addition to meeting normal current expenditures, Mr. Meighen said. Canada had actually done better with a record of 28 per cent.

Mr. MEIGHEN: That is right too.

Mr. MARLER: Is the hon. gentleman serious?

Mr. MEIGHEN: Yes, sir.

Mr. MARLER: My right hon. friend still persists in saying that part of the war capital expenditure was paid by his government.

Mr. MEIGHEN: I said just what my hon. friend read, that 28 per cent of all war costs was paid by the government.

Mr. MACKENZIE KING: Capital cost?

Mr. MARLER: What does the statement mean?

Mr. MEIGHEN: It means what it says. I am ready to stay with the hon. member to the end, if he will. It means exactly what it says, 28 per cent of all war costs.

Mr. MARLER: Very well. That is an interesting statement and I want to get the matter in Hansard; I want it to go throughout the country; I want the House to know exactly the position which the late government took in imposing war taxes on the country, so that there will be no question about the situation at all. Of course, we all know that the late government won the war; we have been told that in the province of Quebec time and again. In regard to taxation which is put on binders, harrows and ploughs, the right hon. gentleman opposite need not look to Brantford when he talks about costs; let him look to the right. That is where the expenditure came from. However, my right hon. friend not only did not pay—and I make the statement advisedly and with care—one single dollar on war capital out of war taxes, but in addition to that, on the first of April, 1922, that is to say at the end of the fiscal year 1921, there was a deficit in connection with actual interest, pensions and war services of $128,000,000. I shall give my right hon. friend the figures. That is precisely what he saddled this government and the country with. I am not blaming him for these war expenditures, don't let him misunderstand me.

Mr. MEIGHEN: Will the hon. gentleman give details?

Mr. MARLER: With the greatest pleasure. I worked out these figures this morning with the published statistics, to be quite sure of their correctness. With permission I will read the table:

War Debt—1 April 1914—31 March 1923—9 years		
Expenditure on war and demobilization..		$1,693,412,797
Interest paid on national debt during period..		$718,457,105
Less interest on previous debt i.e., $12,893,505 x 9 years—	$116,041,545	
Less interest on railway advances to 31 December 1922	79,125,082	
Less interest on railway advances 31 December 1922 to 31 March 1923..	8,310,000	
		203,476,627
Leaving interest on war debt..		514,980,478
Add:		
Pensions during whole period	$162,846,609	
Less pre-war pensions i.e., $311,900 x 9 years..	2,807,100	
		160,039,509
Last four years D.S.C.R. (not included in war and demobilization expenditure above)..		111,166,062

Add:	
Soldiers' Settlement Board Administration last five fiscal years..	10,400,000
Total..	796,586,049
Collections in special war taxation during nine year period..	711,162,650
Deficit..	85,423,399
Add surplus war revenues 1923..	42,767,945
Deficit 1 April 1922 of war revenue as compared with interest on war debt and expenditure on war services).. ..	128,191,344
Leaving capital cost in addition unpaid of..	$1,693,412,797

I do not think there can be any question whatever that when this government took charge there was this deficit of $128,191,344 as regards ordinary, everyday war expenditure, to say nothing of capital expenditure.

But Mr. Speaker, the sad feature of the situation is that when the opportunity was before this country of imposing taxes upon those who were making millions out of the war such taxes were not then imposed. Of course, hon. gentlemen on this side of the House are well aware why the opportunity was ignored—an election was in the offing. Hence, instead of imposing taxes those who were rich were made richer, for instead of issuing war bonds subject to tax, which my right hon. friend had a perfect right to do—he could do anything under the War Measures Act; he could have even taken all the money out of the banks—he issued tax-free bonds. Of course the cry will go up from him and his associates: "We had to work up great enthusiasm in order to get the people to buy war bonds." But these bonds are the very best investment in the country. However, he issued $915,000,000 of non-taxable war bonds—at least, that is the amount still outstanding.

Mr. MEIGHEN: Does the hon. gentleman know of any belligerent country that did not take that course?

Mr. MARLER: Such a question is simply the product of a vivid imagination—nothing more, nothing less. It is not a question of what this or that country did. He has been telling us on this side of the House that we have imposed more taxes. He came down to the city of Montreal and said: Taxes must be reduced. It is he who came forward to lead us to believe, rightly or wrongly—and perhaps wrongly—that our sales tax was raised from 1½ to 6 per cent by this government. That is what the people were led to believe by his speech in Montreal. I am controverting that statement absolutely. I say this government did the only possible thing—they imposed additional taxation. They did not want to do so; what interest was it to this government to impose additional taxation? But even the war interest was not met by my right hon. friend by taxing those who were making millions out of the war.

Mr. MEIGHEN: I do not want to interrupt the hon. gentleman, and I will not if he asks me to refrain, but does he know of any business profits tax in any country in the world higher than Canada's was? That tax was imposed on the people he refers to, and if he thinks it was not enough why doesn't he restore and augment it?

Mr. MARLER: I know of no business profits tax that was as high as Canada's. I know of no business profits tax in any other country; but what I know, and what every hon. member knows, is that millions and millions of dollars were made during the war in a manner that should not have been possible and those profits should have been returned to the people. I know, further, that $915,000,000 of non-taxable bonds are outstanding. The interest on these alone, $45,000,000 is paying no income tax, which means that these gentlemen across the way are paying so much more income tax themselves. That is the fact, and that is what we are complaining of. And yet my right hon. friend says: "Are we to sit by in silent, shivering impotence?" Well, my right hon. friend did not sit by "in silent, shivering impotence" when immigration went dead; he sat by in frozen inactivity. I observe that my right hon. friend is producing some figures, and I know what they are; he has read them half a dozen times in the House already.

Mr. MEIGHEN: No, he has not read them at all. Would my hon. friend like to hear them?

Mr. MARLER: Well, let us hear what my right hon. friend has to say about them now.

Mr. BUREAU: Order.

Mr. MEIGHEN: I knew that the Minister of Customs would commence to roar, but I do not rise unless I have the backing. The official figures show. . .

Some hon. MEMBERS: Order.

Mr. BUREAU: I rise to a point of order. This is the seventy-eighth speech that my right hon. friend has made. Seventy-five is enough.

Mr. MEIGHEN: The hon. member (Mr. Marler) invited me to give the figures.

Mr. SPEAKER: Do I understand that the hon. member who has the floor gave his permission to the right hon. leader of the opposition to interrupt?

Mr. MARLER: I again say, Mr. Speaker, that I have no objection to the hon. member's interruptions.

Mr. BUREAU: Well, we have.

Mr. MEIGHEN: I really do not like to interrupt him so often, but there is not a sentence he has uttered that I would not like to have contradicted, and of that contradiction to have produced the proof. I have before me the emigration and immigration figures from the official records. At the beginning of the war and for many years prior to that time the balance was strongly in our favour. At the very opening of the war the balance went heavily against us, until about February, 1917 —I will give the exact figures if hon. gentlemen want me to. We could not impose higher taxation. The Americans were not in the war, and higher taxation—

Some hon. MEMBERS: Order.

Mr. MEIGHEN: Higher taxation would have made a higher balance against us. On the entrance of the American nation into the war our taxation reached a level the highest in the world, and immigration started in our favour and continued in our favour.

Some hon. MEMBERS: Order.

Mr. MEIGHEN: The balance continued heavily in our favour every year until September, 1922. It has been heavily against us ever since.

Mr. CASGRAIN: With regard to the point of order raised by the hon. Minister of Customs (Mr. Bureau), I do not think the right hon. leader of the opposition has the right to make speeches over and over again. He might put questions, but he should not speak every day on the same subject. He has exhausted his right to speak.

Mr. SPEAKER: I have already stated to the House that this cross-examining process is against the rules. Unless the hon. member who has the floor allows the interruption to take place and the explanation to be given, he must proceed with his speech. Here is the rule:

> Whilst a member is addressing the House no one has a right to interrupt him by putting a question to him, or by making or demanding an explanation. A member will at times allow such interruptions through a sense of courtesy to another but it is entirely at the option of the member in possession of the floor to give way or not to an immediate explanation.

Mr. BUREAU: We do not know at the present time who has the floor, whether it is the leader of the opposition (Mr. Meighen) or the member for St Lawrence-St. George (Mr. Marler).

Mr. MARLER: Well, these interruptions are only wearying the House, and perhaps hon. members will be very glad when I sit down.

Mr. BUREAU: No, go on.

Mr. MARLER: My right hon. friend, in the address he made a few minutes ago, stated that he could controvert or repudiate most of the statements I have made.

Mr. MEIGHEN: Hear, hear.

Mr. MARLER: He can repudiate them all?

Mr. MEIGHEN: In about five minutes.

Mr. MARLER: I will let my hon. friend repudiate the statement that there was a deficit in actual war expenditure as compared with everyday expenditure.

Mr. MEIGHEN: I do now.

Mr. MARLER: Of course he can do it now; that is exactly the attitude he took in Montreal in saying that taxes should be reduced—but it is nothing but noise; there is nothing in it at all. We are looking for reasons in this country now; we do not propose to sit under taxation without knowing the reason. We are more or less intelligent people in Montreal. I am not saying that the body before which my right hon. friend spoke was as intelligent as some of the others, but still a fairly intelligent body. My right hon. friend, in his best style, ended up his address by saying, "Are we going to sit by in silent, shivering impotence while our people trek across the line to the United States?" I was going on to say a few moments ago, when my right hon. friend interjected his address, that he not only stood by "in silent, shivering impotence" as regards immigration; he stood by in frozen inactivity. The department itself was frozen and an encumbrance on the government. It was known in the United States, through reports of departmental officials, that it was the most difficult thing in the wide world to gain entrance into Canada under the rules which were enforced at that time. Here is a paragraph from one of those reports; it is a comment by Mr. W. J. White, Superintendent of Agencies in the United States:

> During the war period, drastic restrictions were necessarily put into effect, and no doubt for good reasons these were continued after the close of the war. While they had the desired effect of keeping out many undesirables, the precautions were so sweeping that there were those who, able to qualify as far as farming experience, character, finances, etc., were denied admission, owing to the legal obstructions that it was not deemed advisable to remove.

Then it goes on to state the difficulties, and finally ends up by saying:

It could not be overtaken. In fact, everywhere there was an almost general impression that admission to Canada was so difficult as to be almost impossible.

Now, immigration is not a thing that you can turn on like a water tap from which you get so many buckets of water, and then turn off. The machinery of immigration went dead, frozen, silent, under the administration of my right hon. friend. He deliberately put upon the shores of this country a sign that none need apply; that was the effect, at least, The offices on the continent were closed—and that is what happened as regards immigration.

I want again to call attention to what my right hon. friend said as regards the sales tax. The statement he made will be clearly and distinctly corrected in Hansard and clearly and distinctly corrected in the press, so that the poorer classes in the city of Montreal who had not the privilege of attending that meeting will know that the cost of their food was not raised by six per cent, as they were led to believe, but that the tax in 1923 was actually less instead of greater than that of 1922. As a matter of fact, under the new law—and I am free to admit that I do not like the new law very well, but that is neither here nor there—the tax was lessened when compared with that imposed in 1922. Hon. gentlemen are aware of how the sales tax was imposed. It came into effect in 1920, and in that year it was imposed on two steps of trade only, that is, manufacturer to wholesaler, and wholesaler to retailer. In 1921 it was imposed on the three steps of trade, that is, producer to manufacturer, manufacturer to wholesaler, and wholesaler to retailer. That tax as originally imposed was one per cent on the ordinary channels of trade. The Conservative government raised that tax 50 per cent on the ordinary channels of trade, and this government when it came into office in 1922 raised it another 50 per cent. In other words, on each of the three steps of the ordinary channels of trade the tax was 2½ per cent. Under the 1923 law the tax was not raised but was placed on one step and one step only, that is to say, 6 per cent on all three steps combined. But the ordinary man in the street will want to know exactly what this means. He does not understand these figures. He thinks when he hears on the public hustings that the tax has been raised from one-and-a-half to six per cent that everything he buys at the corner grocery store and everywhere else, every suit of clothes and every pair of boots and shoes that he buys, has six per cent added to that particular purchase. That is the impression that has gone abroad, and that impression is totally and absolutely incorrect. We will take for example, $1,000 worth of raw material and see what it costs manufactured into the finished article under each of these laws, and what the tax is to be paid under each law. Under the law of 1920 the total tax was $51.92, and the cost of goods to the consumer was $3,544.05. In 1921 the tax was $88.99, and the cost of the finished article to the consumer $3,648.06. In 1922 the tax was $119.60, and the cost to the consumer $3,714.16. In 1923 the tax is $111.01, and the cost to the consumer $3,676.46. Now let us get clearly and distinctly in our minds what the cost of goods under the law of 1923 was over the cost under the law of 1921. It was $28.40, or slightly over three-quarters of one per cent—not six per cent—and when the law of 1923 was put into effect there was a reduction of $37.77, or over one per cent. That, of course, as hon. members will understand, is simply in the ordinary channels of trade There were under the old act various matters which meant that the tax could be very much increased.

I must apologize for taking up so much of the time of the House, but I fear that I have a great deal more to say. I was starting out to ask a few moments ago, before I had the delightful digression with my right hon. friend across the way which we both enjoyed so much, whether we could reduce taxation in this country or not. I do not think there is any use anybody saying we must reduce taxes, or that we must reduce taxation by a certain percentage or in a certain way, until we first examine what our requirements and what our revenues are, for that, after all, is the true test of the situation.

What are our requirements? Our requirements are, of course, firstly to pay the interest on our war debt, to pay for our war services, and, if possible, to create a sinking fund for the purpose of paying off our war liabilities; secondly, to pay our ordinary requirements, that is, our non-war debt, our subsidies to the provinces, and the various, everyday, out-of-pocket requirements; and thirdly, to pay our railway debt to keep our railways alive. Before taking up what revenues we have to meet these requirements, there is one matter which I would most respectfully place before the Minister of Finance, and it is this: Why do we not in this country divide our war taxes into one separate group with our war expenditure, and put our ordinary taxes into another group with our ordinary expenditure?

As it is at the present time, the taxes imposed for war and the taxes imposed for ordinary purposes are all put in precisely the same account, and although war taxes are reasonably borne, nevertheless it seems to me unfair, it seems to create an ambiguity, it seems to create more or less deception to ask people to pay war taxes that are not to be used for war purposes at all. As a matter of fact should not our war taxes be used for war purposes, and if there is a surplus of war taxes should not that surplus be used in the reduction of our debt and for a sinking fund? And if we have too much of a surplus as regards our war taxes, why should not our war taxes as such be reduced?

Then we come to ordinary taxation, which fills the next category. Should we not try and bring our ordinary expenditure within the four corners of our ordinary taxes? That is to say, segregate our ordinary taxes for ordinary, everyday purposes?

Then we come to the third category, the railways. We no doubt have to keep our railways alive but it seems to me if we want money for our railways we should call our railway expenditure a railway tax or a tax of that description. In other words if that system were followed out there would be no ambiguity, no deception. Everybody would know exactly what they were paying for and exactly what they were getting. Now I come to the question whether we could reduce the taxes. Let us take the figures for the year 1923, and they are of very considerable interest. Take, first of all, the war expenditure. The war revenue on Consolidated Fund was $199,732,496, and on special account something over $8,000,000 odd, or a total war revenue of $207,000,000.

Mr. McMASTER: What does the hon. member characterize as war revenue?

Mr. MARLER: I will give the details of that with pleasure. They are as follows:

Customs and sales tax, etc..	$106,482,000
Income..	59,711,000
Business profits..	13,031,000
Miscellaneous, Finance Dept..	2,409,000
Interest on advances to foreign governments..	10,000,000
Post Office..	7,000,000

Then there are various subsidiary amounts from the Department of Soldiers' Civil Reestablishment and the Soldiers' Settlement Board amounting to $1,000,000, which gives us a total of $199,732,496, plus an amount from special account of $8,199,000, which is a particular amount for exchange received from the British government last year. That makes a total of $207,931,829.

Mr. McMASTER: What part of customs does the hon. member allocate as being war revenue? I am merely asking for information. I think we are all immensely interested in this analysis of our financial situation and the hon. member has stated that certain moneys coming through the custom house are to be regarded as war revenue. Just what revenue coming through the custom house is to be regarded as war revenue and why?

Mr. MARLER: My hon. friend will understand, it is taxation collected through the customs department. It also includes a certain amount derived from the sales tax.

Mr. McMASTER: And imposed in consequence of the war?

Mr. MARLER: Imposed, in consequence of the war.

Mr. BUREAU: It includes excise taxes?

Mr. MARLER: Excise taxes, sales tax, taxes of that description. Perhaps I should have said that was the mode of collection. It has nothing to do with customs duty at all; it is kept separate entirely.

Then we had our expenditure for war purposes. There was interest on the war debt of $108,000,000. That amount is a rather complicated one to make up, but I have had it verified by the Bureau of Statistics. There is also war services and incidental services, $52,699,000, and there were demobilization charges that year of $4,000,000, making a total expenditure of $165,000,000, leaving a surplus from war taxes of $42,767,945. Hon. members will understand that the point I am trying to make—these figures naturally intervene in any discourse in a matter of this description—is whether it is possible at the present time to reduce the taxation, and my claim is that as regards war taxes, in view of these surpluses, it would be possible to reduce in so far as the war taxes themselves are concerned.

Then coming down to our ordinary revenue, our total revenue for ordinary and special account amounted to $195,000,000, and our expenditure on ordinary and special account amounts to $175,000,000. As against that, should be deducted some $5,000,000 on government railway account, leaving a surplus of $25,000,000. Consequently from these two sources, war account and ordinary account, our finances show a surplus on all accounts of $68,000,000. Now, one would imagine on hearing of a surplus of that description that it would be possible to reduce the taxation. That would be possible if the railway situation

had not to be taken into account. When we consider the railway situation not only is this surplus eaten up, but $22,000,000 in addition. During the year 1923 the cost of our railways—all the government railways—amounted to $84,960,037, and the cost of our merchant marine amounted to $5,979,000, or a total expenditure on railways and ships of $90,939,000. Consequently our war surplus to the extent of $43,000,000 was used for the purpose of keeping alive our railways and our ships; also the additional surplus we had from ordinary account, plus $22,000,000 as well. With these figures before us one can ask himself if it is possible to reduce taxation. Of course taxation could be reduced if we were to write up all our expenditure to capital account, but that would mean making deficit after deficit and the day of reckoning would very soon arrive. As a matter of fact the position of affairs is that our surplus from war expenditure and our surplus from ordinary expenditure are being used to keep our railway situation alive at the present time.

Mr. MARTELL: Why not get clear of the railways?

Mr. MARLER: This year it is stated that the railways will show an operating surplus of some $20,000,000, which is very much better than the operating surplus of some $4,000,000 last year, and the inference might be drawn that our railways are at last commencing to pay. But that is not the case at all. It is not a question merely of operating surplus. There are many other charges, as regards the railways, which must be taken into account—such as construction betterments, repayment, of old loans, extensions, and various other expenditures of that description, to say nothing of interest to the public, and leaving out of consideration entirely interest to the government. The true test, Mr. Speaker, as regards the railways, and as regards taxation relative to the railways, is, not what the operating deficit or what the operating profit may be, but it is what the public treasury must put up every year to keep these railways alive. That is the situation which should I think be understood by every member of the House. We read in the newspapers from time to time that the operating profit of the government railways is so much more this year than last year, but there are many other expenditures which must be taken into account. Take for example: In 1920 the loss on railway operation was $32,503,000 but we paid out of the public treasury on railway account $123,000,000. In 1921 the loss on railway operation was $11,847,000, while we paid out of the public treasury $105,000,000. In 1922 there was an operating profit of $4,193,000, and yet we paid out of the public treasury $84,000,000. Even if the operating surplus in 1923 amounts to $20,000,000 I think hon. gentlemen will find that there will have to be in the public accounts this year probably fifty or sixty million dollars still to keep these railways alive.

Now, there are various opinions in this House as regards the question of government owned railways. Some of us say that the railways should not have been taken over; others think that they should have been taken over. Some think that these railways are a great national asset; others think they are a great national liability. I admit quite freely that it will serve no good purpose to discuss these questions at the present time; we are perhaps past that stage. Personally I have always said, and I must state again on the floor of the House, that I do not see any particular advantage in public ownership of railways. Public ownership to me shows many disadvantages. Public ownership does not mean that railway rates are lessened in the very slightest degree.

The owners of a railway do not lessen railway rates. The owners perhaps are contributory factors in having railway rates high or low on account of efficiency or inefficiency. More efficient management may tend to lower the rates because there is a greater profit, but the main fact we have got to consider is that a railway must get a sufficient amount of traffic to keep it alive, and even a reduction or writing down of its capital cost is not going to help in the very least. Of course the protagonists of public ownership will say to me "We should keep these railways under public ownership." I fear that I must answer for myself in substantially the same way that I did when my right hon. friend first put to me a question two years ago—I personally prefer to see these railways in the hands of private individuals and administered by a private body.

Mr. WARD: Why have we got public ownership at this time?

Mr. MARLER: To answer my hon. friend's question would tax too much the patience of the House—it is a very long story.

Mr. BUREAU: Because the government took them over.

Mr. MACLEAN (York): I would like to ask my hon. friend, when he denounces the public ownership of railways does he not

know that private ownership of railways in the United States has reached an absolute state of bankruptcy?

Mr. BUREAU: We are dealing with Canada.

Mr. HOEY: The freight rates are higher than ours.

Mr. MARLER: I regret that I cannot answer the question of my hon. friend in an efficient manner. However, the question whether public ownership or private ownership is good, bad or indifferent is hardly a question to discuss at this time; but I would like to say to those who believe in public ownership that vast sums of money have been spent on these railways. Since 1920 we have paid out of the public treasury $392,000,000 for the purpose of these railroads. That is entirely outside of interest on many millions that had previously been put into these railways, and a great many more millions which does not appear in this amount at all. Therefore, I say to those hon. gentlemen who ask for lines to be extended and for various other matters to be effected, that they should have a little consideration for those who do not believe in public ownership quite as much as they do. In addition to that, Mr. Speaker, I think that the financing of the railways is far too easy a matter. The public treasury is far too open, and easy money always encourages extravagance in any matter of that description. We have heard the cry time and time again in this House and out of the House that the railways should be kept out of politics. At the same time we hear the cry shouted lustily "But we will hold you responsible for our funds;" That is what the people say. Those two cries are entirely and totally incompatible. The railways cannot be kept out of politics. They should not be kept out of politics, so long as they are owned by the government, and every dollar spent on railways should come before the House and be voted upon in a most careful and meticulous way. As a matter of fact, we cannot hide behind the cry that we should keep the railways out of politics, and unless we take every possible thing into consideration in voting the amount of money in question, it seems to me we are very failing in our trust. The practical solution of the matter of these lines, whether they are in the hands of the public or in the hands of private individuals, is to have more traffic east and west on the railways, and for that we need more production. We need people and more consumption in our country, and to obtain that consumption and production implies not only more immigration but it implies also less emigration. Therefore how can we arrive at a solution to have less emigration from the country. My answer to that is that we are not sufficiently self-reliant and self-dependent in this country. We depend upon others to do for us what we should

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do for ourselves. We import far too much manufactured goods and far too much foodstuffs. We should grow or manufacture these things ourselves. We should buy the foodstuffs from our own farmers. We should manufacture in this country what we can manufacture, and what we cannot manufacture we should learn to manufacture. In other words, we should be a self-dependent Canadian nation. I do not think we are a self-dependent nation. At the very least, and without the slightest exaggeration, during the calendar year 1923 we imported into this country no less than fifty million dollars worth of foodstuffs which could have been grown in this country and the money kept in this country and given to the farmers, just as well as to anybody else. In the same period of time, without the slightest semblance of exaggeration, we imported into the country one hundred and fifty million dollars' worth of manufactured goods which we could have manufactured here, which would have made work for our population in this country, and kept our money here. We look for our trade to the United States. We say to the United States "We will buy a large amount from you," and we did import from the United States last year in the neighbourhood of fifty million dollars' worth of foodstuffs, and the United States said to us in the year 1921, under the Fordney Tariff, "We do not want to have anything to do with you, get out." And under the Fordney and McCumber Tariff of 1922 they slammed and locked the door in our faces. That is the position the United States has taken as regards trading with us. But notwithstanding that our exports to the United States have fallen from 52 per cent in 1868 to 39 per cent in 1923, and our imports have risen from 33 per cent in 1868 to 67 per cent in 1923. As a matter of fact last year we bought from the States $200,000,000 more than the United States bought from us, and our exports to the United States, would show much less, if it were not the fact that we export a great deal of unmanufactured wood and a great deal of pulp and paper. In other words, I claim that we are buying from the United States a great many things we could grow on our own farms and make in our own factories. That would give employment to our people and keep in circulation the money of this country in Canada.

Then again take another situation. In 1897 we made with Great Britain what we called a reciprocal tariff. In 1898 we converted that into a preferential tariff. We increased that preferential tariff in 1900, and again in 1922 and again in 1923, and why did we do all this? We did this no doubt mainly in the hope that we would increase our exports to Great Britain, and although we have never said so, perhaps in the hope that some day Great Britain would give us a like preference as regards our staple products over the same products imported by it from other parts, outside of the Empire. We never said that or hinted it, but we hoped it would come. If we did all this for the purpose of increasing our exports, it has been a most dismal failure, because our exports to Great Britain have diminished from 56 per cent to just about 40 per cent and our imports have also diminished from 27 per cent in 1897 to 17 per cent in 1923, but during the period from 1897 to 1923 we became a much greater manufacturing country. During the war, in part to help the Mother Country, we built factories here, and, therefore that meant that those factories had to be kept busy and workmen had to be employed in those self-same factories. But notwithstanding that, and notwithstanding the fact that labour in Great Britain is paid a great deal less, we say to Great Britain, "Come along and take part of our market." It does not seem to me that that is a rational attitude to take at the present time.

In addition to that, there is the serious question of depreciated currency which must be taken into consideration. There is the question of depreciated currency from countries on the continent. Many goods come in under the British preferential tariff that are not entirely British made goods. As a matter of fact, British made goods under the British preferential tariff only have to be fabricated in England to the extent of 25 per cent, and the other 75 per cent is just as likely to be fabricated on the continent by cheap labour, and yet they are imported into Canada under the British preferential tariff, and those goods come in here and take the place of goods which we ourselves could make in this country. And then we invite other countries on the continent who have depreciated currencies to come in and take a part of our markets, too. I do not consider such a situation rational at all. I know quite well that there may be some gentlemen in this House who will wholly or at least in part disagree with me on this momentous subject. My hon. friend from Brome (Mr. McMaster) and many other hon. gentlemen across the floor who may be inclined to think so, need not for a moment assume that I am what is called a high and rabid protectionist; I am not; I do not speak for any manufacturer or any group of manufacturers; I have no personal interest to urge in that respect at all. I do ask, not for a tariff to pay high dividends; not for a tariff to help those who are not capable; not for a tariff to pay any dividends on watered stock. What I do ask for is "a cost-of-living tariff" which will enable our industries to exist and provide labour for our workmen in order that we may build up our cities and increase interior production, and make our railways pay their way. I do not think that such an attitude is at all unreasonable. For that reason I ask that the tariff be inquired into by those competent to make that inquiry, and that upon the advice so obtained the tariff be adjusted in a fair and reasonable manner. Until that is done I ask that no changes in the tariff, the effect of which are not understood or which may be inadvisable, be made.

I would remind the House that there is an urgent need for inquiry in reference to some of our industries the conditions of which merit investigation. It is said by some that a wrong has been done them. If a wrong has been done, is it unreasonable to ask that it be inquired into and, if wrong exists, that that wrong be removed? I appreciate the fact that in reference to the tariff there are many hon. gentlemen who will say that they care nothing about "a cost-of-living tariff," about "a development tariff," or about the Canadian manufacturer. With all deference to these gentlemen I say: Deny the principle of a cost-of-living tariff and you will close our industries and create greater depression; more than that, you will prevent many industries which barely exist to-day, from paying the taxes which are necessary for the administration of the affairs of the country and which are required to keep the railways alive and, perhaps in better times, to extend those railways. That is what will happen if the tariff is reduced in any inadvisable manner the effect of which is not sufficiently understood.

I have always been perfectly frank so far as my attitude to the tariff is concerned; I have never been ambiguous in my views on the floor of the House. I am not one who is not ready to concede changes in matters of policy provided I am shown a good and sufficient reason for those changes. I take the same stand now in relation to the tariff as I took on the floor of this House two years

ago, and in the country as well, when I was elected on the principles I then advocated. I do not regard the tariff as a dogma which cannot be altered. It requires changes from time to time necessitating readjustments, and in my opinion it should be framed in the interests of revenue and in the interests of the honest, the decent and the efficient manufacturer. I do not for a single moment advocate a tariff in the interests of the man who makes vast sums in the way of dividends, not at all; what I ask for is a tariff that will provide a living wage for our workmen and will keep our people in the country. I have also stated that the tariff should be framed in the light of expert advice. I stated two years ago, as I state now, that I believed in the Laurier-Fielding tariff. That tariff brought prosperity to this country, and in the years from 1896 to 1911 very little was heard about tariff matters at all. Sir Wilfrid Laurier himself as well as other Liberal leaders gave utterance to sentiments very largely in accordance with those I am expressing to-day on this important subject. If hon. gentlemen will bear with me, I will read the following words of Sir Wilfrid Laurier which have been quoted before in this House. This matter is one of importance equally alike to hon. gentlemen opposite and to myself. Sir Wilfrid Laurier said:

> It is a humiliating confession to make that after three centuries of existence this country is still unable to supply its own wants and that it is still obliged to have recourse to foreign markets, though nature has lavished upon it all the gifts necessary to render it a manufacturing country. . . It is the duty especially for us Canadians of French origin to create. . . Thus far it seems to me that the government has been moving in the wrong direction. The government has devoted itself to recruiting an exclusively agricultural immigration; its efforts will end in nothing—the agricultural population of this country will never be increased from outside. . . We can, however,—

And this is the point I wish to stress.

> —introduce here with good results, I think, an industrial immigration. I do not mean simple workmen, but master mechanics and small capitalists, such as are to be found in all the cities of Europe.

Later on another gentleman expressed the following views, which I think will be recognized:

> We do not propose to do anything that will interfere with legitimate business. We do not propose to do anything that will interfere with legitimate profits, nor, much less, do we propose to do anything that would injure our industries in any fair competition with the industries of other countries. We realize that Canada, if she is to be great, must be a country based on diversified industries. This is the day of world competition, not between town and town, or factory and factory, but between continent and continent, and realizing that, we do not propose to take steps that are in any way going to check the nation's just industries in carrying on their business in a just and reasonable way.

I do not think that my attitude to the tariff is at all different from that. No doubt someone will say that this is not a country which should rest upon a basis of diversified industries. Some gentlemen possibly might say: "Let us buy our boots and shoes in Boston instead of from the province of Quebec; let us buy our cottons and woollens from England instead of in Ontario; let us import our window glass from Belgium and our oilcloths from Germany", and so on. There are those who will say, "It does not matter whether these things are made by Canadian workmen or made by foreigners, and if they are cheaper elsewhere, we should buy them in the cheaper market. It matters not that we have attempted to build up a market in Canada during so many years. There are people who will be indifferent as to whether we preserve that market for our own producers or for someone else.

Now, I do not deny for one moment that, owing to the peculiar circumstances of the times, we can to-day bring in from these countries commodities at a lower price than they can be manufactured here. But my point is this: Are we going to build up Canada for the immediate present, or are we going to look some little way into the future? Are we to keep only the present in our vision, or are we to look further ahead to the needs of our population, not only the population here now but the population which we hope will come in the future? If we view the present only, all we have to do is continue as we are doing, converting this country into a warehouse and a dumping ground. If, on the other hand, we have vision and patience and look towards the future building-up of this country, allowing our factories to work at full time instead of half time, then the cost of commodities will be decreased, because factories on full time must necessarily produce at a far less expense than when operating at half time, as is the case to-day. In addition to that, although foreign goods are now being brought in at a lower price than similar goods can be produced by our own manufacturers, when conditions become stabilized in Europe and exchange becomes again normal, those very goods will cost substantially as much as we ourselves, in course of time, will be able to manufacture them. But we will never be in this position industrially if inadvisable and illthought-out changes are made in the tariff. I do not suggest that such changes would be made in a vicious spirit, I accuse no one of any such desire; but if changes are

made without their probable effects being very fully considered our towns and cities will be bound to disappear. But we must also take into consideration—and I think the hon. member for Swift Current (Mr. Lewis) made a point of this the other day—that if we reduce these centres to stagnation, to a very large extent we reduce our home market. This should be our first market to look to, and our export market should be the next.

Mr. HOEY: Has the home market helped the American agriculturist to any appreciable extent? Is he any better off to-day than the Canadian agriculturist?

Mr. MARLER: With all due deference to my hon. friend, I submit that the home market has without a doubt helped our agriculturists, and without the home market they could not have got rid of the same amount of their products.

Mr. HOEY: What part of his product could the Canadian farmer not have got rid of?

Mr. MARLER: I will explain in a moment to my hon. friend just what the Canadian agriculturist has got rid of in his home market.

Mr. HOEY: That does not necessarily mean that he could not have got rid of it. The consumption of wheat in Europe to-day is only one-third of the normal consumption.

Mr. MARLER: I do not think my hon. friend could have got rid of more wheat than was got rid of by means of the export trade. Our wheat was exported to the fullest extent possible.

Mr. HOEY: To all the extent that was necessary.

Mr. MARLER: But all of the wheat grown was not exported.

Mr. HOEY: There was no need to export it.

Mr. MARLER: Perhaps I may be quite ignorant, but this is the way it appeals to me. In the crop year 1921-22 we produced around 300,000,000 bushels of wheat. Of this, 194,000,000 bushels was exported as wheat and flour, and 106,000,000 bushels was consumed in Canada. The latter was worth at least $85,000,000. In addition, there were the by-products which we retained. I apologize, Mr. Speaker, for taking up so much of the time of the House.

An hon. MEMBER: Go ahead.

[Mr. Marler.]

Mr. MARLER: We cannot export wheat and flour alone.

Mr. HOEY: Not without purchasing other commodities; I agree with you there.

Mr. MARLER: Not without exporting other commodities.

Mr. HOEY: Not without importing other commodities; trade cannot be one-sided.

Mr. MARLER: My hon. friend will pardon me for contradicting him. I do not think we can establish trade channels in wheat and flour alone; we must export other commodities also.

Mr. HOEY: Explain.

Mr. MARLER: Would my hon. friend expect any country to take nothing but wheat and flour from us? Would he expect a ship to be loaded with wheat and flour only? No ship will go out with such a cargo.

Mr. HOEY: Why not?

Mr. MARLER: To create a general trade we have to carry various products to other countries.

Mr. LEWIS: What will it bring back in return?

Mr. MARLER: That is precisely the point I make with my hon. friend from Swift Current. It creates trade; but our customers overseas will not say to us that they want only our wheat and flour. It is necessary and essential for trade routes to be made up by exporting other commodities besides wheat and flour in order to create in the foreign port the needed market for our wheat and flour, because the more trade we have with any country the more demand there is for our particular product. Therefore I say we should export manufactured goods also with our wheat and flour.

Mr. COOTE: What are we going to get back for the wheat and flour and other merchandise that we export?

Mr. MARLER: Does my hon. friend suggest that I am favouring a prohibitive tariff? I never mentioned a prohibitive tariff.

Mr. HOEY: It has got to be, in order to build up industries. You say you want to build up home industries; you cannot build them up if you allow manufactured goods to come in.

Mr. MARLER: Certainly, we cannot manufacture at the present time all the goods we import.

Mr. HOEY: I see.

Mr. MARLER: But there are certain goods we should manufacture. I do not for a moment suggest that you should build a tariff fence so high that foreign goods cannot get over it—not at all. I have stated in clear and unmistakable language that all we ask is a cost-of-living tariff for the efficient manufacturer—for what we can manufacture here. In addition to that certain goods from England and other parts of the world will always enter under any tariff you may have, especially if it be only a reasonable cost-of-living tariff.

Mr COOTE: Would the hon. member kindly specify some lines of goods that he would allow us to import?

Mr. MARLER: The hon. gentleman is surely factious in putting to me such a question. He does not expect me to turn myself into a catalogue, does he?

Mr. COOTE: No, I do not really expect it.

Mr. MARLER: I am speaking in general terms, that is all. The general argument may be good or it may be bad, but it appeals to me, and I am putting it to my hon. friends opposite as it appeals to me, simply as a reasonable argument—that no hasty, ill-advised changes be made in the tariff, but that any changes which may be proposed be carefully thought out, not confining ourselves to their probable effect on the immediate present, but looking into the future to see where such changes will land us. There is nothing unreasonable about that. I am not arguing for the East alone. It is ridiculous for the East to say to the West. "We are not interested in your welfare," just as ridiculous as it would be for the West to say to the East, "We will not have anything to do with your industries." We have to try to devise a fair and reasonable policy both for the East and for the West.

Mr. MARTELL: What is the East, may I ask my hon. friend? There are plenty of low-tariff men in the East as well as in the West.

Mr. MARLER: I am not drawing any particular line of demarcation. If my hon. friend so desires, I am willing to consider the Maritime provinces in with the West.

Mr. MARTELL: That affects your argument.

Mr. MARLER: Let us put the Maritimes in with the West for the present. But it is not a question on my part of talking about prohibition; it is a question of reason, of allowing our towns and cities to live, and unless we do this I claim that our agriculturists will be injured on account of their home market being seriously diminished. Surely, my hon. friend from Springfield (Mr. Hoey) will admit that if we had two million more people in the city of Montreal, they would consume at least two million more barrels of flour, which means in the neighborhood of ten million bushels of wheat.

Mr. CALDWELL: What will become of the cities if the agricultural community is not allowed to live?

Mr. MARLER: I expected, Mr. Speaker, a barrage to come from that direction at this stage. I am not trying to put the agriculturist out of existence. I have endeavoured to suggest that there is much that can be done for the agriculturist; there are many taxes that can be taken off for his benefit, and I think that would be readily agreed to by every member of this House. But I submit that the tariff should not be such as to put the cities out of existence. I think we ought to have a reasonable cost of living tariff. Of course, if my hon. friends say, "No tariff," I have no desire and cannot submit an argument on that question. But what I claim is that the cities consume agricultural products and that unless the cities expand and grow, the home market will be lessened and the effects of that condition will be severely felt by the agricultural classes.

I was going to give the particulars with respect to a number of commodities, but I shall not take up the time of the House.

Some hon. MEMBERS: Go on.

Mr. MARLER: Very well. I spoke about wheat a few moments ago; let me refer to one or two other commodities. In 1921 we produced over $74,000,000 worth of butter and cheese; our export of these products was $28,000,000 and our home consumption $55,000,000. In wool we produced in 1921 $2,975,000; we exported $242,000 and consumed at home $2,732,000. In 1923 we produced in eggs $48,770,000 worth; we exported this product to the value of $1,030,000 and the consumption at home was $47,740,000. In 1921 the value of our maple products was $4,318,000; our export was only $173,000 and we consumed at home $4,145,000. In these few commodities alone, to say nothing of hosts of others, the value of the home consumption was $195,000,000, or $23 per head of the population. The exodus to the United States, of which I spoke a little while

ago, has meant a loss to agriculturists in this country in these products alone of over $7,500,000. Mr. Speaker,—and I say this with the greatest respect to any member of this House who disagrees with me—if the urban population increases our home market will increase with it and there will be a distinct advantage to the agriculturist, whereas if our population decreases there will be a very distinct disadvantage. The only way we can keep people in this country is to provide work for the rural dwellers as well as for the urban dwellers; to give all the population, no matter where we get it from, something to do.

I spoke a moment ago about the British preference, and perhaps some hon. members may have seen in what I said an indication that I thought the British preferential tariff might well not be kept in effect as it is at present. I do not disguise my feelings on that subject; at the same time I would be the last man in this House to hold the belief that we should not help Great Britain to the fullest extent of our ability. But I do not think we are helping Great Britain in this way. We are not helping Great Britain by making ourselves a weak nation; our great value to the Empire can only consist in our making ourselves a strong nation, in our taking upon ourselves our fair burdens for the Empire as they may come along. The only way to put ourselves in a position to do that is to build up our population. What we could do for Great Britain to-day would be to absorb many of her surplus population and give them work in our cities and towns, in our factories and so on. But we are not prepared to give them that to-day.

I think I have finished with most of the questions which might cause recrimination or questioning in this House. There are only two other matters that I should like to touch upon, and I shall not refer to them at great length. First is the question of stability in taxation. Undoubtedly we must have taxes. A tax is an impost for the benefit of government, and as such it must necessarily be for the benefit of the people on whom it is levied. In other words, if an impost is such as is difficult or impossible to collect, the very object of the tax will in time be defeated. We, in this country in the past—and I am not speaking of any particular government; I am referring to our general attitude with regard to taxation—have said that those who were successful should be taxed a little more, those who were more successful, still more, and that the most successful should be taxed the greatest amount. I am a believer in imposing taxes where they can best be borne. There are certain industries in Canada at the present time, notably the agricultural industry, which cannot bear taxes as well as other industries can. There should be some alleviation, therefore, in that respect, and perhaps some other industry should have a tax imposed upon it in accordance with its means. Likewise the individual should be taxed according to his ability to pay. We have not taken the attitude, I think, that as partners in the state the people should be consulted before taxation is imposed, in order that the effect of the taxation may be understood and that the tax may be easily collected. As it stands now, taxation is getting more and more complicated; as a matter of fact we are rapidly turning ourselves into a nation of taxpayers and fillers in of forms. Why should we not consolidate our taxation so as to have it fall where it should rather than where it should not? Why should a government board of experts not be appointed to look into the whole question of taxation, to co-ordinate it, to have it thoroughly understood? Where it is seen that a certain business, a certain profession or certain individuals should get the benefit of an alleviation in the way of taxation, in order, perhaps, that they might be able to sell to others the products of their business, why should the tax not be taken off? In addition to that, under our present system the taxation laws emanate from one department of government and the collection of the tax is made by another. All these things, particularly at this perplexing period in our history, should be consolidated, simplified, made readily understandable, so arranged that business will be made easy and that every one can go ahead with the activities in which he is engaged without being under the necessity of continually thinking about taxes.

There is a great deal to be said in that connection. We have had experience in the matter of changes in the laws of taxation. Last year we made two very important changes, and I believe those changes were ill considered—not because we were not willing to consider them; not because the promoters were not acting in perfect good faith; not because the minister who introduced the bills was not acting in perfect good faith and did not desire to have the tax properly administered, but because we simply had not the time, or the ability, perhaps,—I say that subject to correction—to understand all the complicated matters involved, matters which could only be thoroughly understood after weeks of study.

Last year we made an amendment to the Special War Revenue Act—the sales tax. I say again that I do not for one moment attribute anything to the minister or to the promoters in that respect at all, but I venture to say that there were not six members of this House last year who understood that law, and I was not one of the six. The law as at present in force as regards the sales tax is a most complicated piece of legal machinery, difficult to administer, difficult to collect the tax, unfair in certain directions and open to grave misuses in others. As regards the unlicensed wholesaler it puts him in a most unfair position. As regards the unlicensed manufacturer, that is, the manufacturer not manufacturing up to $10,000, it is open to very, very grave abuse. I would ask the government to take into consideration this matter of the sales tax again this year and to make such necessary amendments to it or so to revise our system of taxation that the people of this country having to bear the taxes may bear them as lightly as it is possible for them to do.

Another amendment we made last year was to our income tax law. That law as it stood, even without the amendment, was a law which had been made in times of stress. It was a perfectly proper law, a law that everybody should carry out to the letter, but I doubt very much whether it is carried out entirely to the letter in all respects. I doubt very much if everything that could be collected under that law is collected, but at the same time there are elements in the income tax law which put a great many qualities which we should have in this country, such as charity, ability, and energy, straight into the hands of mortmain. It puts millions and millions of dollars in mortmain every year, either because the tax is too heavy or because it is not properly applied. Much at the present time—I will not say is kept secretly hidden; those are not the words I intend to use at all—but much money is not put into circulation that should be put into circulation to help build up the country and expand it in every way because of our income tax law. Notwithstanding this lack of vision and this lack of heart as exemplified in our income tax law, what did we do last year? We brought down an amendment which created a prior lien on all the assets of the individual. I protested last year against this amendment. I told the government at that time, and I tell the government frankly again now, that if that amendment is persisted in, it will simply mean there will be no money to lend on mortgage in this country. I feel quite confident also that when the banks fully grasp what that amendment means it will be very difficult to make loans of any kind, and very difficult to make conveyances of property. These matters are of vital importance to the West. Mortgage money must be loaned in the West. In the West there are at the present time serious restrictions on people lending money, but here the tax collector comes along, and, with the departmental mind entirely, not the mind of the people from whom the money is to be collected, but the departmental mind, says: I want a law put into effect that will make it as easy as possible for me to take the money away from the people, to stop your industry, to stop your commerce. Consequently that amendment was put on the statute books. I would solemnly warn the government that that amendment should certainly be repealed this year.

Mr. Speaker, I have spoken at very great length. I owe you and hon. members of this House my heartfelt thanks for the patience with which you have listened to me here to-day. I did not desire to speak at such length, but the matters which I have brought before the House to-day are of vital interest to the people I represent, and although I in no way presume to speak for them, I believe of vital interest to the whole city of Montreal.

In addition let me say this. Not only those in the constituency I here represent but every member from the province of Quebec, nay, every person in the province of Quebec, wishes to see preserved our British and French traditions to which we have been devoted from generation to generation. Many of us for many generations have known no other home outside of our province of Quebec. I do not speak for others, but I believe that those traditions can only be preserved by Canada, as Canada, going ahead and being kept for Canadians, and being a nation, as I stated at the beginning of my remarks, under the British Crown. That, sir, is the main object and the main theme that I have to lay before the House to-day and I beg hon. gentlemen to consider that; to consider the situation in which we place ourselves if our population declines, if our work people leave us, for in that case I feel confident that these traditions which we hold in the greatest reverence, which we learnt at our mother's knee and which we cherish so dearly, will also disappear and be lost to this country.

Mr. JOHN A. MacKELVIE (Yale): Mr. Speaker, before I address myself to a few points in connection with the Speech from the Throne I would like with the same sincerity and heartiness which has characterized other speakers to compliment those who were responsible for moving and seconding the Address. I am sure they must have found it a rather difficult task this year, more so than in other sessions of the House I think, Mr. Speaker, for it must have been a somewhat agile mind, I might almost say a somewhat penetrating instinct, that could dig into the mass of tortuous verbiage which comprised the Speech of this year, and bring out any fruitful theme for congratulation so far as the government of this country is concerned.

I do not intend to follow the remarks of the previous speaker (Mr. Marler) for the simple reason that the latter part of his address was one with which I find myself most thoroughly in sympathy. Indeed, it is one which anyone in this group in the House might be proud to see on record with his own name above it. So far as the last part of his address was concerned, it so directly and pointedly featured the speech which the right hon. leader of this party recently made in Montreal that one could not fail to be impressed with the fact that that speech had sunk very deeply into the consciousness of the speaker, and in his estimation it required very serious rebuttal indeed. I will leave it to the House and to the intelligence of the country to give a verdict as to whether that rebuttal was as effective as the speaker no doubt intended it to be.

Mr. Speaker, I said that the Speech from the Throne was one in which it was difficult to find matters upon which the government could be very distinctly congratulated. Before I make reference to certain points contained therein I would like to mention a fact that must be of particular interest to this House, and that is that to-day the members received in their post office boxes a copy of the report of the proceedings of the Imperial Conference. I have not yet had the opportunity to read that report and to give it the attention I have no doubt it deserves. I expect to find it very interesting reading, but I need not hope to find within its covers any statement that will show to the people of Canada that the Canadian representatives at that conference gave the support to Mr. Baldwin's proposals that the people of this country expected they would at that time. Mr. Baldwin laid before the country his proposals. When the attention of our people was directed towards his scheme of fiscal reform in the Old Country, his policy of preferential tariffs within the Empire, it was rather humiliating, to say the least, to those who hold the opinions that are held by this group in the House—in fact I think by a good many sections of our population—it was more than humiliating, it was intensely aggravating to know that the policy which we so ardently desired to see pressed forward was supported by the Prime Ministers of South Africa, Australia and New Zealand, and that our own representative not only sat silent at the conference where the policy was propounded but in any expression that he gave to his sentiments—which assuredly were not the sentiments of Canada—intimated that all these matters were of no concern. So evidently was that position made clear by the Canadian representative that Mr. Asquith, during the recent election campaign in Great Britain, was enabled to deliver a speech in which he said that the matter of preferential tariffs was not one in which the dominions were very greatly interested, or one upon which they based any demand. In making this statement Mr. Asquith could only have had in mind the Dominion of Canada—surely the greatest of all the dominions—and he even went so far as to say practically that it was not the desire of Canada that any such policy should be brought into effect.

Now, Mr. Speaker, coming as I do from a province which was vitally interested in that fiscal policy, coming as I do from a constituency which more than any other is intensely interested in it, I feel that some attention should be directed in this House to the course taken by the Prime Minister of Canada in so representing—I think I am justified in saying, in so misrepresenting,—this Dominion on that occasion. The value of such preferential treatment on the part of Great Britain to our constituency of Yale would be such that I could hardly describe it in words. The prime interest of the constituency, as a great many members here are aware, has to do with the fruit growing industry, and a preference such as was contemplated of five shillings per hundred pounds on imported fruit would have placed our fruit growers in such a position that they would once more have seen a ray of hope ahead, whereas to-day they are almost as much disappointed as the wheat growers of the prairies are if we are to believe the stories told by our Progressive friends.

In regard to this question of tariff preference Mr. Baldwin had the courage of his convictions. He went to the country but unfortunately did not return to parliament

with a majority. Nevertheless Mr. Baldwin sowed seed which will yet bear fruit, he delivered a message which future generations will read and which perhaps will come into effect even in our own time. By those of us who believe in the great and beneficent influence which the British Empire is destined to exercise in the world the happiest results were anticipated from Mr. Baldwin's plan. His vision was such that when he surveyed the whole field he realized what would follow from close inter-relationship between the different parts of the Empire; he saw the Empire drawn together by bonds of mutual interest and strengthened by a preferential tariff which would give it a place in the world such as perhaps none of us have ever dreamed to be possible. But the policy of negation, the policy of discouragement, advanced by our representative at that conference, will perhaps set the wheels of progress back for several years.

I do not know just exactly how His Excellency was made to give the expression in the Speech from the Throne that Canada is now such an extremely prosperous country. I have found that this statement received little support in any of the speeches so far delivered here. Our Progressive friends, through the mouthpiece of their leader, have assured us that the agricultural part of the community is anything but prosperous. That hon. gentleman went further and related that only one-third of the number of agricultural implements were sold now that were sold fifteen years ago, which is a pretty clear indication, that the manufacturing industry is not revelling in prosperity. The speaker who immediately preceded me also laid facts before the House which force one to reach the same conclusion. Speaking for my own consituency I have no doubt in the world that conditions there will have to be vastly improved from what they are to-day before we can claim anything approaching a measure of prosperity and happiness. For the existing evil there is a remedy, a remedy which I hope to advance during the course of my remarks but I see no indication of that remedy being applied by the present administration. Indeed I am firmly convinced that instead of bringing about a better condition of affairs the policy forecasted in the Speech from the Throne will be very certain to make existing conditions much worse. The remedy which I would desire to apply to the financial depression in Canada rests entirely in a properly devised and vigorously constructed tariff of protection. It is no news to the members of this House that I am a thorough going protectionist. It is one of the political principles to which I am most firmly anchored; and I like to congratulate myself that I belong to a party which through storm and stress, whether in power or out of power, has never deviated from the policy devised by our great leader, Sir John Macdonald, when he lifted this country out of the slough of depression and set it upon the high road to prosperity and when he unfurled the standard of a protective tariff. That standard has always waved and has never been lowered. Our present leader holds it aloft and has done so in his campaign from coast to coast. In all circumstances and in all places he has firmly adhered to the principles of his party, and has never deviated from them. In that fact we rejoice as a party. To that policy we point the people of this country as likely to yield them relief from the present depressing conditions.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. MacKELVIE: Before the House adjourned at 6 o'clock I had been making some observations regarding the Speech from the Throne, and had said, among other things, that so far from being able to endorse the statements put into the mouth of His Excellency regarding the prosperous condition of Canada as a whole, I felt, greatly against my desire as a Canadian, to doubt if these things were true, and I felt compelled to take exception to that statement. I gave as an example the depressed condition of my own community and the hard struggle which fruit-growing sections of British Columbia were having to make ends meet, and, this, Sir, despite the fact that no part of Canada possesses land so admirably suited to the production of fruit and vegetables as the section which I have the honour to represent. Nature indeed seems to have intended it as a district in which the cultivation of fruit and vegetables could be most successfully prosecuted, and yet, owing to this very depression of which I am speaking, the fruit-growers of that country this year have found themselves unable to profitably market what was indeed a very large and good crop. I said that among the remedies which might be applied to cure, or at least to ameliorate, this condition was the old remedy of adequate protection which had so successfully brought this country at another period of its existence out of a condition of stagnation and depression into one of prosperity and progress.

Tariff, Mr. Speaker, has been the weapon for generations in this country in the hands of statesmen, which they have utilized not only to build up progress in the industrial, commercial and agricultural communities of the land, but at times it has been in their hands a weapon with which to negotiate for better terms in other countries. It is absurd in my opinion to term the present existing tariff of Canada as anything approaching a real protective tariff. When every country in the world which has a tariff has been building up its barriers against this country for years, when we are shut out practically from the markets of the republic to the south, which has prospered as everybody knows to a wonderful degree under that same system of protection, when, as we look abroad we find no indication of any country in the world seeking to lower its duties, I say that it is nothing short of an absurdity to term the tariff which now obtains in this country one of adequate protection. If I had my way particular attention would be given to the revision of the tariff, to bring it to a condition that would give real protection, not only to the industries of the country, but more particularly to the farming community.

I am firmly convinced that the interests of the farming community would be greatly benefited, that the country would become enriched and that prosperity would follow in its train, if the products of the soil were given a protection at least equal to twice that which now obtains. I would have our butter, eggs and vegetables and all the products of the soil subject to a customs tariff which would in some measure prevent competition from the south. I wonder with what degree of confidence those of my hon. friends in the Progressive group who place, or appear to place, their faith in a policy of reciprocity with the United States, could, under existing conditions, approach that country and attempt to negotiate with them. The United States would simply laugh at them. They would say "We give everything and receive practically nothing in return". Of course I am no believer in reciprocity with the United States. I believe that nothing would tend to bring about in a shorter time, the ruin of Canada, the ruin of our industrial concerns and our agriculturists, and, in part, the ruin of our railways than any arrangement of that kind with our neighbours to the south. But even if we desired to negotiate such an arrangement, it would be ridiculous to approach them with any such bargain as we are able to offer at present.

The fruit-growers of my district, who are believers in protection as I have indicated, see more than one way of getting protection for their industry. One of these is by a tariff, but not like our present tariff. The other is by a dumping clause, which gives them protection from the stuff dumped from the south of the line, where it has been raised and produced much earlier than in our own country. A resolution has been placed in my hands by the Associated Boards of Trade of British Columbia. Those boards of trade are not more particularly interested in the fruit-growing industry than in any other business interests of the province, but knowing, as they do, that some forty million dollars is invested in the fruit industry, and that it is suffering from very serious handicaps at present; they realize that the old dumping clause which was brought in by the previous government was a clause with teeth in it, which gripped and functioned. I wish the Minister of Customs (Mr. Bureau) were here to listen to what I am saying. I pause here to pay a tribute to the manner in which he has administered the existing act. The principle that protection should be given by order in council and that it should be left entirely to the discretion of the Minister of Customs is nothing more than vicious. I would say to the hon. minister who has charge of that department that he has endeavoured, I think, properly, to put the dumping clause into execution, and has instructed his officials to see that it was operated in the best possible manner. As I said before, it depends entirely upon who occupies that position. We may have a Minister of Customs at any time who would do little or nothing to meet the requirements of our fruit-growing population, as he might not be sympathetic towards them and might be a believer in free trade in all matters; and under his regime nothing but disaster would come to the fruit-growing industry. So, therefore, realizing the position of this industry, the Associated Boards of Trade of British Columbia have placed in my hands the following resolution—

Whereas general prosperity must be built upon profitable agriculture, which can only be realized if farmers are enabled to sell their products at reasonable profits; and

Whereas it is detrimental to the best interests of all classes of the community that products of the soil be sold at less than their cost of production to the grower in Canada; and

Whereas products of the soil are frequently offered from foreign countries at prices which are considerably less than cost of production;

Be it therefore resolved:—That the hon. the Minister of Customs, be urged to apply the dumping penalty to all importations of agricultural products sold at less than Canadian cost of production, bearing in mind the following points:—

1. The Department of Customs be asked to publish cost of production figures for all agricultural products produced in Canada, not later than June 1st in each

year, such list to be in effect for one year, and that it be provided that when Canadian products are available and importations are invoiced at less than cost of production, a special dumping duty be collected, equal to the difference between the fair market value as established by the above-mentioned list, and the price at which such fruit was imported.

2. Dumping penalty should only be applied to importations made at such times as similar products are available in Canada.

After considering this very vexed problem very carefully, this is the conclusion which the Associated Boards of Trade in my province have reached in the matter. They are not advocates of the fruit-growing industry in particular; they are interested in the general prosperity of the province; and in view of the fact that such an immense amount of capital is invested in this important industry they have come to the conclusion that the present dumping clause needs to be amended in this direction. I am cordially in sympathy with the resolution. I do not say that, perhaps, it might not be improved upon. I believe, from the experience we have had during the last few years, that even the excellent dumping clause which was put into operation by the previous government could be improved in some important respects. I have tried to put the matter before the House as briefly as possible. A large percentage of the fruit growers are to-day suffering from this depression throughout Canada and it is impossible for them in the present state of affairs to find profitable markets.

Now, I am not going to argue the pros and cons of a protective policy; the matter was admirably treated this afternoon by the hon. member for St. Lawrence-St. George (Mr. Marler). In my opinion, many vexatious problems which face the people to-day would be much more easy of solution were an adequate policy of protection such as I have indicated put into force. I believe it would have a wonderful effect on immigration; it would also tend to prevent emigration. If we can build up towns and cities in this country by establishing prosperous industrial concerns, thus providing employment for large numbers of workmen, we shall have no difficulty in retaining those of our population who are now seeking employment in the country to the south of us which has been made prosperous by virtue of a protective policy. Far from there being a steady stream of emigration from this country, we should be able to retain our population and attract back to the country many of our people who have left. But in my opinion this can be done only by having a reasonable policy of protection.

I was not able this afternoon to follow the line of argument advanced by my hon. friend from Montreal. I did understand, however, that he was endeavouring to refute some of the figures submitted to this House in his speech by the leader of the opposition (Mr. Meighen). But be the figures as they may, the personal observations of practically every member of this House must have led him to the conclusion that emigration from this country is a very serious matter at the present moment. I know of no section where the people will not tell you that they have lost hundreds, and indeed thousands, of their best citizens within the last few years. To stem this exodus is a matter that calls for the best attention of any government. What remedy is suggested by the present administration? I have heard nothing so far indicated in the speech of any hon. member, nor is there anything in the Speech from the Throne to show that the government has any really effective remedy in view.

Mr. GRAHAM: Branch lines.

Mr. MacKELVIE: I shall come to that presently; that certainly will have a marked effect in certain parts of the country. After all, we might dilate on this question of protection at very great length, but so far as I can recollect no one has summed up the matter in more concise terms than was done on one occasion by one of the greatest statesmen and patriots which this continent has ever produced. Abraham Lincoln said that if a man buys goods abroad he has the goods while the other country has the money, whereas if he buys those goods at home he has the goods and his own country has the money also. The Minister of Railways (Mr. Graham) interjected a moment ago a remark the purport of which was that among the means of preventing emigration and of encouraging people to come to the country would be the branch lines policy of the government. I was glad to note that paragraph in the Speech from the Throne which referred to the continued prosperity of the National Railways. The figures which have been given to the country by the president of those railways during the past few months have been indeed encouraging to the people. While perhaps the president has built upon the splendid foundation laid by his predecessor, apparently he, or someone at least, has been responsible for a very marked improvement in one direction in the service of the National Railways: I refer to the esprit de corps which seems now to obtain among all the officials from the highest to the lowest. It is now a pleasure

to meet them; they seem to be imbued with the idea that the service demands their hearty attention and support, and evidently they are out to give that attention and support. That no doubt is responsible in no small measure for the increased business in connection with the National lines.

Coming now to the question raised by the Minister of Railways, I wish to refer to the matter that really urged me in getting to my feet. For several years I have been working as hard as possible in this parliament to bring about the completion of a branch line running through my constituency from Kamloops to Kelowna on the Canadian National line. It has been graded for several years and the country has expended $5,250,000 upon it. The arguments for the completion of this branch line are perhaps as strong, as forcible and as unanswerable as those that can be advanced for any similar branch line in the Dominion. I have submitted them to the House at previous sessions, and I consider it my duty on this occasion again to call the attention of the government and of parliament to the matter. In the first place, we have already, as I say, expended on that branch line over $5,000,000. It is lying idle and so long as it does so we shall lose the interest on that money which, at 6 per cent, would represent over $300,000 a year. Naturally the line is deteriorating every year, and it is only a question of time when the grade will be of no further service and will have to be reconstructed if the line is completed. This branch line will serve a wonderfully productive country and will open up a new district. Passing from Kamloops through Grand Prairie and the Falkland districts, it will open up a country untouched by any transportation system. In Falkland there is, I think, the largest pure deposit of gypsum on the continent, owned by a Winnipeg firm who are only too anxious to exploit it as soon as there are the necessary transportation facilities. A sixteen mile spur from my town of Vernon to Lumby passes through a rich and thickly settled agricultural and horticultural district. It goes through the famous Coldstream ranch, and when it reaches Lumby it enters a district of wonderful fertility, a mixed farming district that produces grain and hay, and from which are exported considerable wood products such as telephone and telegraph poles, railway ties and so forth. This would bring a steady stream of revenue to the main line. From Vernon to Kelowna you have a district containing 60 per cent. of the fruit growing population of the Okanagan, and it is estimated that these men in this 35 miles are losing $200,000 a year at the present time in transportation charges, trucking their fruit to points upon the Canadian Pacific railway which would be touched by this new line. This would give them cheaper transportation facilities, and as I have already pointed out we are paying $300,000 in interest charges while our farmers are losing much money to-day trucking their products, and it would surely be a matter of economy to complete this branch line. Out of that valley this year went over ten thousand cars of fruit and vegetables and other products, and there was of course considerable incoming freight. It is estimated that the local revenue to the railway is upwards of three million dollars a year, and a very large share of that revenue would go to the National lines were this branch completed. I think I am giving a very conservative figure indeed when I say that the first year after its completion the National lines would receive at least a million dollars of traffic.

Now, as I have said, I have been exerting what abilities I possess in trying for some years to bring this matter before parliament and get the line completed. Hon. members can easily understand with what a feeling of despair I went home last year. True, the bill passed this House, but it was framed in such a way that the Senate immediately took exception to it and killed it the last day of the session. I was surprised to hear the right hon. Prime Minister say to the leader of the opposition the other night: "Your friends in the Senate killed that bill." The right hon. gentleman must have been extremely ill informed, or else he was endeavouring to deliberately deceive the House. It was not in particular the friends of the right hon. leader of the opposition in the Senate who killed that bill, for only ten votes could be scratched up in its favour, so it is not very difficult to understand that the feeling against the bill was by no means confined to the Conservative element in the upper house. Indeed, the hon. Minister of Railways (Mr. Graham), I apprehend, is perfectly cognizant of the opposition in the Senate; it came from every quarter.

Greatly to my disappointment I have recently been informed—I do not know how good my authority is—that it is the intention of the government to again introduce a bill along somewhat similar lines to the ill-fated measure of last session. This, to me, would indicate that they are absolutely courting defeat, and it gives rise to the impression, which I have heard expressed in more than one

section of the Dominion, that the government are not sincere in their intentions and for some reason or other, which I cannot fathom, would like to have the bill killed again. I know Sir Henry Thornton recognizes the importance of this branch line in that it would be one of the best feeders to the National system, but I do not know, and I have never been able to find anybody who could inform me, why it is that this year there is a chance of the government again introducing the bill in the same shape as they brought it down last session, which means that the Senate will mete out to it the same treatment.

I would implore the Minister of Railways to deal with these branch lines in separate bills this session, and so let each stand on its own merits. For the reasons which I have advanced to-night, and which I could enlarge upon if necessary, I have no doubt that the Senate can be persuaded that the Kamloops-Kelowna branch line is absolutely justified; and I am equally confident that the Senate will look with favour on similar branch lines on the prairies which have been graded for years and which would serve a country urgently in need of transportation for its grain, which at present has to be hauled long distances to the nearest railway.

Mr. GRAHAM: Does my hon. friend intimate that the Senate has not any power to amend a bill of this kind?

Mr. MacKELVIE: No, I do not exactly intimate that, Mr. Speaker; but I doubt the wisdom of cumbering such a bill with all sorts of what the Senate seem to conceive to be impossible conditions, when each line might well be the subject of a separate estimate, thus standing upon its own merits. I can conceive no possible objection to this course. The hon. minister has intimated that it would be difficult to keep the money flowing to cover the construction work on these lines after it is once started, but that has never been an insuperable difficulty in connection with any other public undertaking, and I do not see why it could not be overcome in this connection.

Mr. GRAHAM: The labour situation is never the same.

Mr. MacKELVIE: I again say that my friends surrounding me and those in the Progressive party who are interested in these branch lines present a united front in renewing their request to the minister to bring down this branch line legislation in such shape that there will be no danger of its meeting the same fate again in the upper house.

Mr. GRAHAM: Does my hon. friend think that is the real reason the Senate threw out the bill last session?

Mr. MacKELVIE: That is the reason given. I acknowledge that possibly there were some other influences at work which I cannot control; but there was the situation as it appeared before the public. The Senate gave their reasons for throwing out the bill, and in a general way the public regarded those reasons as pretty good.

Mr. GRAHAM: That is not my information.

Mr. MacKELVIE: I am not upholding the Senate; indeed the hon. minister will understand that it was a very severe blow to me when the measure was defeated in the upper house. At the same time, if he will read the Senate debates of yesterday he will observe that hon. Senator Turriff intimated in very plain language that the bill as presented to the Senate was very obnoxious. I do not suppose I can say anything further to convince the minister if he is not already convinced, but I do hope that those of us who are interested in these branch lines will not have to go home to our constituents at the end of this session with the same sorry tale as we had to tell them last year. If unhappily we have to, nothing will convince those constituents that the government did not deliberately court defeat of the bill in the Senate, knowing exactly what reception it would receive there.

Something was said this afternoon by the hon. member for St. Lawrence-St. George (Mr. Marler) regarding the taxation problems which confront this country. None of us who have given any study to the situation at all have failed to reach the conclusion that industry to-day is stifled by excess taxation. The problem of how to ameliorate that condition lies in the hands of the government, and so far the only indication they have given of any remedial policy is that they intend to make a reduction in the tariff on the instruments of production—a policy which, as I have tried to point out before, instead of being a remedy would aggravate an already desperate situation.

The hon. member who preceded me (Mr. Marler) also had something to say respecting the sales tax. I do not know whether it is possible to abolish that tax, but I do believe it could be readjusted to lighten its incidence. An extremely inequitable provision is that which exempts firms doing less than ten thousand dollars of business a year. I know

a firm in my own constituency employing ten or twelve men, with over a ten thousand dollar turnover, and I also know a rival firm in which the two principals do their own work and come under the exemption clause. The night before I left for Ottawa I visited a moving picture theatre and saw flashed on the screen: Buy your products from So-and-So and save the 6 per cent sales tax. There is a most glaring instance of unequal apportionment of taxation, and surely it is something which the government, if it believes in a policy of fair dealing, will take haste to remedy before this session closes.

To-day a gentleman brought to my attention a matter on which I had not intended to speak, but which I know has been very fully pressed upon the attention of the government for some time back, and that is the condition of depositors of the Home Bank who have suffered such severe losses. Fortunately for me and my community there were no branches of this bank in my constituency. This gentleman comes from the mining town of Fernie, in East Kootenay, and the hon. Minister of Public Works (Mr. King) will no doubt agree that what he said was absolutely correct. He told of a most deplorable condition in that community, miners, many of them old men who had reached the end of their working days and whose entire savings had been deposited in that bank, were left absolutely penniless. I have no remedy to suggest; it is not my duty to do so at this juncture, but I do think that the proposals of the government to sidestep the issue and to start on its jauntings another commission to make an inquiry in a restricted way into what happened in connection with this bank during a certain period is like passing out a stone to those people who are demanding bread. The right hon. leader of the House intimated yesterday when pressure was brought to bear upon him, that he would extend the scope of this commission, but the result is problematical, to say the least, no matter how far its scope is extended. In any case I think it is only right, as suggested by the right hon. leader of the opposition, that the inquiry should go right back to the time of the issuing of the charter and take in those years when Hon. A. K. Maclean was handling the finances of this country as well as the time when Sir Thomas White was Minister of Finance in the Union government. The connection with it of the present Minister of Finance (Mr. Fielding) is also one which he would gladly see probed. But this solution suggested to the broken-hearted and impoverished depositors of the Home Bank throughout Canada will bring them very little relief indeed.

I spoke briefly this afternoon of the effects of the Imperial Conference in London, one of which was to force to the country the then government headed by Right Hon. Stanley Baldwin. I should not have said "force"; he went to the country because he thought it the right thing to do. Mr. Baldwin said that his predecessor in office had made a pledge during the election campaign as a result of which he was elected that during his regime there would be no interference with the fiscal policy of Great Britain. Mr. Baldwin could, if he so desired, force through his preferential tariff policies, he had a sufficient majority to carry them into effect; but he considered himself in honour bound to refer the matter to the electorate.

I can draw something approaching a parallel in this connection: Last session this House was informed by the government through the hon. Minister of Finance that the present tariff had at last reached the condition where it could be termed a stabilized tariff. That promise went out from the government through the Minister of Finance to the country, and I have no doubt that business men in all parts of Canada governed themselves accordingly and made their arrangements, firmly believing the pledge that had been given and that there would be no interference during the remainder of the present term of parliament. If they are to be disappointed; if this solemn pledge from the government is to be violated, is the government in a very different position from that of Right Hon. Stanley Baldwin when he conceived it his bounden duty to make an appeal to the electorate of Great Britain? Those of us who were in this House during the session of 1921 heard from the then opposition, the present party in office—from the present Prime Minister and many of his followers—insistent and vociferous demands that the administration of that day should make an immediate appeal to the country. They said, "You have no mandate from the people; the people have lost confidence in you; it is your duty to go to the country." And there seemed to be a certain amount of justice in their contention; the government of the day had carried on for a considerable length of time. At any rate, the result was an appeal to the country. I am free to state, if my judgment is worth anything in political matters, that I have discovered in traversing this country from east to west and from west to east a feeling which indicates very clearly that the people of Canada to-day have entirely lost confidence in this government.

The right hon. Prime Minister the other night, replying to the leader of the opposition, sought to pooh-pooh the significance of the by-elections in Halifax and Kent. He said, "Oh, after all, these elections were determined upon purely local issues. They do not affect the position of the government in the slightest. Such things happen; by-elections of this kind have at present no particular political significance." Well, I venture to say that if the government will do as they should do; if they will decide that having broken or being about to break the pledge given so emphatically and so explicitly at the last session of this parliament by the Finance Minister; if they will take the honourable course as did the Hon. Mr. Baldwin and make an immediate appeal to the country, they will find, I am firmly convinced, that there was far more significance in the by-elections in Halifax and Kent than the Prime Minister wishes to convey to this House.

Mr. FRED STORK (Skeena): Mr. Speaker, in the brief remarks which I desire to make to the House to-night, I hope I shall not be regarded as speaking in a parochial or provincial way, but in view of the present necessities of the district of Skeena, and in view also of the enormous size of that constituency, I believe that in taking on any more territory I should be transgressing the rules of good taste. Therefore I desire to-night to address my remarks particularly to the central portion of British Columbia, from which I come.

At the outset let me offer my congratulations to the government on the Speech from the Throne, in that it indicates a reduction of taxation and also a general improvement of the conditions generally throughout the Dominion of Canada. More particularly do I wish to congratulate the government on its attention to the fishing industry of British Columbia. During the session of 1922, in accordance with a resolution passed by the Fisheries Committee of this House, the government appointed a royal commission to investigate the conditions of the fishing industry on the Pacific coast. By reason of my having been honoured with a seat on that commission I am perhaps precluded from being fulsome in my praises, but permit me to say without any flattery that the work of that commission was good and that it was highly appreciated by the people of British Columbia. There have been many commissions of a similar nature touring the province, and I am free to confess that the impression they left with the people was not of the best. When our commission came along in 1922 the people in the West were wont to remark that this was just another of those joy riding affairs from which very little in the way of results could be expected. But the commission known as the Duff Commission carried out a most thorough investigation and it brought down a report upon which, I am glad to say, the government took immediate action.

One of the great issues in the province was the employment in the fisheries of nationalities other than the whites or Indians. That was a very burning question with the people who live on the Pacific coast. The recommendation of the commission was that in their estimation those other than whites or Indians should be reduced by forty per cent. Much opposition was offered to the suggestion that that reduction would not interfere with the proper operation of the fishing industry. Anyway, the suggestion was carried into effect, and I am glad to report to you, Sir, that all the people resident along the Pacific coast are of the opinion that that was a very wise measure and that it has worked no injury to the industry. I have in my possession several letters from those engaged in the canning business, and they claim it is a good measure and imposes no handicap on them. We were fortunate last year in that we had a bumper harvest of salmon in the salmon rivers of the Pacific coast. We look to a further good season this year and we hope from time to time to see the white citizens of this country given ample opportunity to develop the fisheries of that province.

Another improvement we are very glad to observe in connection with the progress of our fisheries, and that is that while on the Fraser river for a number of years back they have been allowed to use the fishing method known as the "gas boat," for some reason or other those who fish for a living on the Skeena and the Naas rivers in the north have been compelled to use the old British Columbia fishing boat equipped with a sail and oar. I never could appreciate why such a distinction should be made, but this commission that was out there last year, known as the Duff Commission, recommended that commencing with the year 1924 the use of gas boats be permitted on the Skeena. That recommendation comes into effect this year, and I know and am sure that the people who are making a living fishing will find it a very great advantage. I think if anything the regulations should have been just the reverse. The waters of the Fraser would be much more suitable for a boat with sail and oar than the placid waters of the Skeena.

But we are to have the gas boat this year and it will be a great advantage to the people who make their living from the waters of the north.

Another improvement inaugurated last year was a hydroplane patrol of waters of the north. It is a great task and very expensive, and last year the department inaugurated the plan of having a hydroplane for doing that work, and it is proving most efficient. We look forward this year to an increase in that service, because I am sure the department will find that as well as being efficient it is also very economical.

There is another aspect of the fisheries in regard to British Columbia that I wish to mention, and that is the progress of the halibut trade. The construction of the Grand Trunk Pacific to the northern port has completely revolutionized the halibut fishing industry. The railroad is now built to the fishing banks. Heretofore that trade was centered in the cities of Seattle and Vancouver, but it has followed the railways up north and to-day is centered in Prince Rupert. In 1923 twenty-nine and a half million pounds of halibut were marketed over the docks of the port of Prince Rupert. To convey that product to market required some fifteen hundred refrigerator cars, each car bringing a revenue to the Canadian National Railways of between $800 and $1,000. This development of the halibut fisheries has been one of the outstanding features of northern development, but the centralization of the trade also brings with it fresh problems and difficulties. Our Canadian fishermen who operate in that port are handicapped by the imposition of two cents a pound American duty. That is a burning question with the Canadian fishermen of the north, and they have protested repeatedly to the government here asking them to take whatever steps can be taken to have the duty removed. The Boat Owners' Association of that town have requested the government, in order to force this duty off, to close the port to American fisheries, but other interests in that port do not wish to see that drastic step taken. No one, I am sure, desires that the port be closed. What they do desire is that the duty be removed, and I as their representative would urge upon the government the necessity of continuing negotiations at Washington with a view to having this duty removed, because it is a grievous handicap and a great source of irritation and friction to the Canadian fishermen.

The waters of the Canadian Pacific fishing grounds are divided into three sections for the purposes of departmental administration. They are known as sections or districts Nos. 1, 2 and 3. No. 1 has its headquarters in the city of New Westminster; No. 2 has its headquarters in the city of Prince Rupert, and No. 3 has its headquarters in the city of Nanaimo. For a long time the fisheries were administered through these separate and distinct headquarters. Then a system of centralization grew up, and of late years a central office has been opened in the city of Vancouver. This does not in my estimation make for economy or efficiency. We have in the central office in Vancouver a considerable overhead expense. We have there a considerable staff, and all the positions are under the jurisdiction of the Civil Service Commission. All these officials commence at a minimum salary and work up to a maximum. The staff consists of the following:

	Maximum salary
Chief Inspector	$3,600
Chief Clerk	2,800
Accounts Clerk	2,280
Purchasing Agent	2,280
Senior Clerk-Stenographer	1,680
Clerk-Stenographer	1,260
File Clerk	1,260
Lady Clerk-Stenographer	1,260
Junior Stenographer	900
Junior Stenographer	900
Boy Messenger-Clerk	900
Revenue Collector	1,920
Gas Engine Foreman	1,920
Resident Engineer	3,000
Assistant Resident Engineer	2,040
Inspector of Hatcheries	2,160
Total	$30,160

Eight of these officials do considerable travelling from time to time, and I am thoroughly satisfied that with the salaries indicated here, plus the travelling expenses, plus also the office rental and upkeep, the total cost to the country will be in the neighbourhood of $50,000. When I first came to Ottawa two years ago I took this matter up with the department. I took it up last session, and I am taking it up again this session. I took this matter up before there was any mention of "A whisper of death" or "A carnival of extravagance." So in pressing it upon the government I trust I am not stealing anyone's copyright in this connection. I would suggest that the office be abolished immediately. I am satisfied that to revert to the old style method of having each district report directly as an independent unit to headquarters at Ottawa will make in greater degree for efficiency and for economy. Take for instance a patrolman, or a fish guardian as we call them, on the Naas river who is in doubt in regard to the operation of the

regulations. He has to communicate with the inspector at Prince Rupert. The inspector at Prince Rupert writes to the chief inspector at Vancouver, who in turn gets in touch with headquarters at Ottawa. Ottawa addresses its reply to the chief inspector at Vancouver, the latter sends the message on to the inspector at Prince Rupert, who in turn communicates with the official on the Naas river. By that time the fish has escaped from the net, or some fellow over in Alaska has got away with it. I am fully satisfied that no reasons based on good economy justify the maintenance of this office. New Westminister has a district office twelve miles removed from the central office. In Nanaimo there is another district office forty miles away from the head office. My advice to the minister would be to close these offices at once and save the country some $50,000 a year, and then to give $1,000 each to the three districts in order to improve conditions there. The chief inspector in the city of Prince Rupert starts work in that position at a salary of $140 a month. In view of his responsibilities, in view of the tremendous amount of work he has to do, $140 a month is a very inadequate remuneration. Before an official can qualify for a position of that kind he has to serve in the department, and in view of this system of promotion he is an old man long before he can attain the position of inspector of the district where he will receive the princely salary of $140 a month. He can start in at a minimum salary of $1,680 per annum and the maximum to which he can attain is $2,280 per annum. I think the schedule should be reversed, and that when the official reaches this office after long years of patient work he should receive the maximum of $2,280 and that thereafter the salary should be graded down to $1,680. Because by the time the official has served for five years in this capacity, after many years of faithful service in the department, he is a subject for the old men's home. Where you have a man, such as we have at the present time, in charge of the district office in district No. 2, and where he commences at $140 a month, I consider such a salary is not in the interest of true economy. I would suggest, as I have already stated, that $1,000 of the money saved in the manner indicated be appropriated to the three fishery districts, and distributed in such a way as to improve the working conditions of the men who work in the fishery offices.

Now, Mr. Speaker, one of the outstanding features of western development has been the wonderful growth of the grain trade going to the Pacific ocean. The Rocky mountains form a great barrier between the prairies of the West and the Pacific ocean, but this mountain range is cut by two passes, the Kicking Horse pass and the Yellowhead pass. A few years ago only a small trickle of grain found its way through the mountain passes down to the waters of the Pacific. This small rivulet has grown to a torrent in the last couple of years, and last year it assumed the proportions of a mighty and swelling river. This growth will continue as the years go on. The grain movement to the Pacific coast has come to stay, and to-night I beseech this government to construct in the port of Prince Rupert a grain elevator so that some of this trade may be diverted to that port, and so that the Canadian National Railways may derive some benefit from the traffic which will flow over the tracks of the Grand Trunk Pacific. The city of Edmonton is the natural grain centre for central and northern Alberta, and for a large portion of the province of Saskatchewan. The government is building an elevator today in that city. That elevator in Edmonton will not fulfil its proper functions unless there is also an elevator in the port of Prince Rupert to which its wheat cargoes can be transmitted.

I desire to associate myself, with all the power and energy I possess, with deputations and delegations from that country to Ottawa, with resolutions of the Prince Rupert Board of Trade backed by the resolutions from the Board of Trade of Edmonton, with newspaper editorials from the press of both sides of politics, and with letters and telegrams innumerable urging the construction of a grain elevator in the port of Prince Rupert. The Grand Trunk Pacific railway was the product of Sir Wilfrid Laurier and his government. That great statesman intended the completed Grand Trunk Pacific to be a monument to his memory in the same way that the construction of the Canadian Pacific stands to the credit of the late Sir John A. Macdonald. About 1905 or 1906 the government of Sir Wilfrid projected the construction of the Grand Trunk Pacific. They said they were going to open and develop a new and wonderful country. The idea caught on throughout the whole of the Dominion; and people became convinced that the railway was a sound project and that it would open up a country that was well worth developing. The settlers who have gone into that northern country have proved to the satisfaction of the country, and to the satisfaction of those who initiated this railway in the first place, that the project was a sound one. There is tributary to

the Grand Trunk Pacific 3,200,000 acres of agricultural land. The Mackenzie and Peace river country, which is an empire in itself, will pour its products out to the Pacific over the lines of the Grand Trunk Pacific Railway. That country to-day is peopled with settlers who have suffered intensely for lack of adequate railway facilities. The Grand Trunk Pacific runs through the Skeena country for a distance of 350 miles. It serves the Nechaco valley, the Bulkley valley, the Skeena valley, the Kispiox valley, the Kitsumkalum valley, and Lakelse valley, each an empire in itself. These valleys are filled with settlers who are carrying on agricultural development as best they can. They are not meeting with very much success because local freight rates to the market are so high they can only with great difficulty make a living.

9 p. m.

Local freight rates are based entirely upon transportation costs, and there is no immediate outlook for relief in the matter of local freight rate reduction, when we consider that we only have two or three freight trains a week travelling over the line when there should be four or five; and therefore these settlers to a man are demanding that traffic over the road be increased by the handling of wheat, so that the volume of trade over that road will make that particular branch pay. In that way they have some hope of relief and redress in the matter of local rates. Our terminal rates are the same from Edmonton to Prince Rupert as they are from Edmonton to Vancouver. This 350 miles of railroad running through the district of Skeena is manned by a great number of railway employees. We have firemen, engineers, conductors and breakmen, and all of the staff required to operate a railway. These men are only working a short time, because railway men are paid by the mile, and not by the day or the week. These men have been hanging on for years, expecting the fulfilment of the Laurier programme and the development of the Grand Trunk Pacific. They have been waiting and hoping for the development to take place; so have the settlers along that line.

But I can say to you, Mr. Speaker, that the people have no intention of remaining in their present condition indefinitely. They desire and they demand to be told what the policy of this government is towards the Grand Trunk Pacific. If these people are given to understand that there is to be no further development in the port of Prince Rupert they will govern their conduct accordingly. They will be able to map out their course for the future, but they do insist upon finding out at the earliest possible moment what the intention of the government may be towards the completion of the Laurier idea. The greatest argument I have in connection with pressing the claim for the construction of this elevator is that it will bring traffic to the Canadian National Railways. It will furnish for the farmers the cheapest market and the cheapest outlet available on the Pacific coast. They will find that at the port of Prince Rupert they can deliver their grain to the elevator which is constructed at tide water on property owned by the people of Canada. In marketing their grain in that port, they will find that there are no port charges, no tolls and no taxes or levies to be collected, and the port of Prince Rupert is as free as the air you breathe. In regard to the harbour, I say without boasting, Mr. Speaker, that it is the best harbour on the Pacific coast. The whole British fleet could anchor with safety within the shelter of that harbour, and there is no danger of ever having to spend a dollar in dredging or in the upkeep of the harbour. We have an utter absence of fog and an utter absence of ice. You can see from the dock the flash of Triple Island light located fifteen miles out from the port—if a skipper believes he requires the services of a pilot he can procure one, although many of them do not do so. The pilot can escort him to Triple Island light fifteen miles out from the port, and from that point he sets his course to Japan or for whatever port he may be destined to. Have we done anything with this port? We most assuredly have. At present there is loading in the port of Prince Rupert the twelfth steamship to be loaded with lumber for the Orient—They make the journey from Prince Rupert to Yokohama in sixteen days, which is a three-day improvement over any other record made from the Pacific coast. The terminal rates are the same from Prince Rupert to Liverpool as they are from Vancouver to Liverpool. We are 462 miles closer to the Orient than any other port.

I wish to draw the attention of those interested to the fact that, in the opening up and developing of the port of Prince Rupert, the people are buying goods in their own country, and putting money in their own pockets. I am not making this appeal to-night on behalf of the settlers, who think they are entitled to some reward for their pioneering, although, permit me to say that 35 years of pioneering in the West is deserving of consideration. I am not pleading that special treatment should be given on that account; but from the standpoint of

good sound business logic, and from the standpoint of national economy, I join with all the people who are living in the western land, in the city of Edmonton and in the city of Prince Rupert, in the request that an elevator be constructed forthwith.

Mr. B. W. FANSHER (East Lambton): In rising to continue this debate, I feel that I must join with those who have preceded me in offering my congratulations to the mover and seconder of the Address. I have listened with great interest to the many speeches that have been delivered by hon. members of this House since this debate commenced. I listened with deep interest this afternoon to the speech delivered by the hon. member for St. Lawrence-St. George (Mr. Marler). I was greatly amused at the controversy over statistics, and the discussion as to who should be held responsible for the emigration from this country. I was reminded of a story I once heard of a darky preacher who, in finishing his sermon, announced that on the next Sabbath he would take as his theme Daniel in the fiery furnace, and one of his congregation immediately arose begged his pardon and asked that he might correct him. He said that Daniel was not in the fiery furnace, but in the lion's den; whereupon the darky preacher said, "My brother has not got the point. The point I intend to make next Sabbath is that it matters not whether Daniel was in the fiery furnace or in the lion's den, he was in a terrible fix anyway." I think the taxpayer of this country is not so much concerned with who is responsible for the burden of debt that we are labouring under at the present time as he is with the question of how we are going to discharge that debt.

This debate had not gone very far until it became apparent that many things which are mentioned in the Speech from the Throne are not going to receive the attention that one certain item will receive, namely the tariff. As in other debates in former sessions of parliament, a good deal of discussion has centered around taxation and the tariff, and of course the tariff is attacked. I was very much interested in the remarks that were made this afternoon by the hon. member for St. Lawrence-St. George (Mr. Marler) in his attempt to defend the protective principle; and I was rather amused that the time of the House should be taken up with a controversy over a policy in which the hon. member and the leader of the opposition (Mr. Meighen) both agree. It is strange that whenever this country gets a national headache the leaders of the old political parties seem to know what is wrong. As we have been aware this last year, they have consulted national political doctors throughout the country, and in their speeches in this House they have indicated what they believe to be a remedy. They have looked at our national tongue, felt our national pulse, tapped our national chest in a number of places and put their ear to our national ribs, and the result of this diagnosis is that there is something wrong with our infant industries. They are agreed thus far; but when it comes to a question of the remedy some say that the tariff dose should be administered in increasing strength while others think that the dose should be diminished. The leader of the opposition declares that what is wrong with Canada to-day is that the tariff has not been administered lately in the same strength as it was administered when he was Prime Minister; and the disturbance in trade he attributes to a change in the quantity and strength of the tariff dose. On the other hand, the Prime Minister declares in the Speech from the Throne that he is persuaded that a reduction in taxation and in production and transportation costs is all that is necessary to effect an economic development hitherto unparalleled. To my mind the significance of the first part of that statement is considerable: the Prime Minister "is persuaded". I want to ask, by whom? I wonder whether it is by the resolutions of Progressive members which have been submitted in this House in the last two years, calling for tariff reduction. And when tariff reduction was not mentioned in the Speech from the Throne I wondered whether the amendment that was moved on one occasion had something to do with that persuasion. Or perhaps it was the electors of Kent and of Halifax who persuaded the Prime Minister. Possibly all these were factors in the persuasion alluded to. It occurred to me this afternoon, when the hon. gentleman from Montreal was speaking, that perhaps some persuasion was necessary indeed if there are many gentlemen on the other side of the House who also believe in the policy he advocated in his speech. But why should there be any persuasion? I have in my hand the tariff proposals as set forth in the Liberal platform of 1919. I shall read them:

> That the best interests of Canada demand that substantial reductions of the burdens of Customs taxation be made with a view to the accomplishing of two purposes of the highest importance: First: diminishing the very high cost of living which presses so severely on the masses of the people; Second: reducing the cost of the instruments of production in the industries based on the natural resources of the Dominion, the vigorous development of which is essential to the progress and prosperity of our country.
>
> That, to these ends, wheat, wheat flour and all products of wheat; the principal articles of food;

farm implements and machinery; farm tractors, mining, flour and saw-mill machinery and repair parts thereof; rough and partly dressed lumber; gasoline, illuminating, lubricating and fuel oils; nets, net-twines and fishermen's equipments; cement and fertilizers, should be free from Customs duties, as well as the raw material entering into the same.

That a revision downwards of the tariff should be made whereby substantial reductions should be effected in the duties on wearing apparel and footwear, and on other articles of general consumption (other than luxuries), as well as on the raw material entering into the manufacture of the same.

That the British preference be increased to 50 per cent of the general tariff.

And the Liberal party hereby pledges itself to implement by legislation the provision of this resolution when returned to power.

In the face of all that, I ask, why was persuasion necessary? The Speech from the Throne indicates that we are to expect, when the budget comes down, something in the way of tariff reduction. Now, we do not judge a book by its preface; we judge it by what it contains. Nor do we judge an apple by its appearance; when it is peeled and quartered we know what it is like. I trust that the budget will fulfil the promise given in the Speech from the Throne.

There has been a good deal said about emigration from this country and the causes thereof, and perhaps further persuasion may be necessary if we are to be given in the budget the tariff reductions which we are looking for. With that end in view I am going to take the liberty to submit a few more figures which have to deal with the population of the banner province of the Dominion, the province of Ontario. Although the House has listened to a mass of statistics to-day, I trust hon. members will bear with me while I submit a few figures on the shift of population from the rural to the urban districts in old Ontario. I am taking a twenty-year period from 1901 to 1921. The population in Ontario in 1901 was 2,182,947; in 1921, 2,933,662—an increase of 750,715. Let us divide that population into urban and rural. The urban population in 1901 was 935,978; by 1921, twenty years later, it had reached 1,707,370—an increase of 771,392. Now, contrast this with the rural population during the same period. In 1901 the rural population stood at 1,246,969, but by 1921 it had dropped to 1,226,292—a decrease of 20,677. The percentages are equally significant. In 1901 we find the urban percentage to be 42.88; the rural, 57.12. By 1921 the figures are practically reversed, the urban standing at 58.19 as against 41.81 for the rural. In other words, during the last twenty years the population in the urban centres has increased nearly 800,000, while the rural population has decreased by over 20,000. These figures are taken from the last census.

But this is not the whole story. We have opened up in the north a new area for settlement, and there has been heavy immigration into it, so that this addition to the rural population there helps to balance the decrease in old Ontario. Taking the older portion of the province by itself, there has been a decrease in the rural population far in excess of the figures I have presented.

I have before me a list of the constituencies in old Ontario, taking the area south of a line from Muskoka to the Ottawa river, and the decreases since 1901 are startling. Again my figures cover the twenty-year period from 1901 to 1921. North Bruce shows a decrease of 6,552; South Bruce, 6,183; Dufferin, 5,621; Dundas, 3,962; Durham, 2,941; East Elgin, 595; Frontenac, 4,356; Grenville, 4,377; North Grey, 2,336; Southeast Grey, 8,203; East Hastings, 4,871; North Huron, 7,426; South Huron, 7,306; East Lambton, 8,639; Lanark, 4,239; Leeds, 3,066; Lennox and Addington, 4,352; West Middlesex, 6,354; Muskoka, 1,552; Norfolk, 2,781; Northumberland, 3,038; North Ontario, 2,970; North Oxford, 1,117; South Oxford, 516; South Perth, 2,233; East Peterborough, 2,575; Prescott, 557; Prince Edward, 1,508; North Simcoe, 3,971; South Simcoe, 1,589; Victoria, 4,516; North Wellington, 6,287—thirty-two constituencies with decreases running into the thousands during the last twenty years.

What do we find in the urban centres? Toronto has doubled its population every fifteen years since its incorporation, and yet in this old part of Ontario there has been a decrease in rural population. I do not mean to charge this all to our fiscal policy, or the policy which fixes upon the consumers in the rural districts a tariff tax for the benefit of the urban centres, but in large part I do think that this tax is responsible for the unequal development. It is a system whereby money is extracted from the consumers in the rural districts and small towns by the manufacturers for their own benefit, to be expended in our large centres. I submit that these statistics amply bear out my contention. Wheresoever the carcass is, there will the eagles be gathered together. Where there is money to be made, there will you find people go.

Mr. GRAHAM: Vultures.

Mr. FANSHER: I am very much indebted to the hon. Minister of Railways for the correction. Perhaps the term is a little

more significant, too, than eagle. Wheresoever the carcass is, there will the vultures be gathered together. Wheresoever there is money to be made, there will the people gather. That is a natural law; it is the lure of the dollar. We have it borne out in Ontario by these statistics.

I could cite in corroboration figures for the province of Quebec. The rural population in that province, according to the last census, has decreased in the last twenty years, slightly it is true; but on the other hand the urban population has increased to a very considerable extent. To illustrate my point further, I may say that out of 416 townships in old Ontario—cutting old Ontario off from the Georgian bay to the Ottawa river—375 have lost in population during the last twenty years; they have fewer people to-day than they had in 1901. Only 41 townships show an increase, and most of them are situated close to cities which are overflowing into the surrounding townships. For instance, London has grown out into Westminster township. Windsor and the border cities have grown into the adjoining townships, and Toronto is extending out into the three ridings in York. To my mind these facts are very significant, not only from the agricultural standpoint but from the fact that there are fewer people in those rural districts to support the churches, schools and public institutions, and the costs are increasing. From the standpoint of the nation's welfare these figures are important; a development as unequal as this has been in the last twenty years cannot continue, and I would recommend that our census returns be studied more thoroughly so that they may be used as a guide in the shaping of our fiscal policy.

To add to my argument along this line I have prepared a few figures in connection with four lines of manufacture in this country, to show the amount of assistance which is afforded certain industries in the way of protection. The lines I refer to are automobiles, agricultural implements, boots and shoes, and rubber footwear and rubber goods. These are statistics obtained from information furnished by the Chief Statistician of the Dominion Bureau of Statistics.

There were produced in Canada in 1921, $81,833,226 worth of automobiles. Imports of automobiles into Canada were valued at $11,039,127, and exports at $8,552,883. The duty collected on the amount imported was $3,611,800. These figures show that about $80,000,000 of cars were purchased in Canada. Taking the value of the imports and the duty collected thereon, and applying that ratio to the cars purchased in Canada, we find that there was a protection afforded the automobile industry, of $23,837,880. That is not taking the tariff percentages at all; it is taking the actual returns. Now, $11,039,127 worth of imports paid duty to the extent of $3,611,800, so that every time we find that amount of $11,039,127 in the figure indicating the amount produced in Canada we get a further amount equivalent to the protection afforded by the duty.

Following that same line of reasoning in connection with agricultural implements, we find that in 1921 we collected a duty of $889,167 under this head and that there was a protection afforded of $3,824,418. When we come to boots and shoes the figures are a good deal more startling. Boots and shoes produced in Canada totalled $44,665,381. The amount imported was $1,582,697. Very few were exported, namely, $298,470 worth. The duty collected on the amount imported was $436,934, and carrying out the same ratio as with the others we find that a protection was afforded the boot and shoe industry in this country of $11,797,218.

Coming to the last of the lines of manufacture that I have considered, rubber footwear and rubber goods, there were produced in Canada in 1921, $39,469,786 worth; imports were $3,415,044; exports $4,088,205; duty collected, $971,506. The protection afforded was, therefore, $10,006,511. Combining these, we find that the duty collected on the four lines was $5,909,416 and that the protection afforded was $49,466,027. I do not say that that protection was all taken, but that amount of protection is afforded, and if industry argue that they need more tariff, surely they are taking all the protection that is afforded—otherwise they would not ask for more.

I think if we would follow all the lines of manufacture through we would find that we are taxed to support the industries of this country to an extent of which we have no idea, and yet we are told by hon. members here to-day that we should protect industry in order that we may have a home market. I sometimes wonder how serious hon. members are when they plead for a home market for the farmers' produce. I have in my hand here an advertisement issued in 1918, in time of stress, by the Finance department and the Victory Loan committee urging the farmers to subscribe to the victory loan. You will remember the argument that was used at that time. It was that we had to sell to Britain and give her credit, and that we must threrefore raise the money at home

in order to pay the farmer cash so that his produce might go over to Britain, and the farmers themselves were urged to buy victory bonds. This advertisement appeared in one of the leading farm papers of this province, the Farmers' Advocate. The first sentence reads:

> The prices of Canadian farm products are fixed in large measure by the demand in Great Britain.

Now with that statement put out by the Finance Minister in the Union government in 1918, we all agree. Note the second sentence:

> The price of all is governed by the part exported.

Yet we have hon. members arguing on the floor of this House for the home market in order that the farmer may get more for his crop, when officials who are identified with that very same party say that the price of all is governed by the part exported. "Be ready," it says at the bottom "to buy victory bonds". Down below that in small print appears this:

> Issued by the Canadian Victory Loan Committee in co-operation with the Minister of Finance of the Dominion of Canada.

Mr. McMASTER: What was his name then?

Mr. FANSHER: Perhaps the hon. member for Brome will know better than I do as he is an older member of the House. I think it was Sir Thomas White. I think the hon. member for West York (Sir Henry Drayton) became Minister of Finance in August, 1918. These victory bonds were sold in the fall. Perhaps the hon. member for West York was Minister of Finance at that time. But the point I wish to make is this: I believe that many hon. members who argue for the protective principle and a high tariff, and who use the argument of the home market, know and believe that the home market is not nearly so advantageous to the farmers of this country as they would have them believe.

I think, Mr. Speaker, that I have already spoken at too great a length. In conclusion, I am convinced that such unequal distribution between the rural and urban population of this country is not in the best interests of the state. I am convinced that before we shall have the degree of prosperity that we are all looking for in these troublous times some readjustment has got to be made. There is a tendency to place goods beyond the purchasing power of the consumer. The cost of distribution growing out of this centralization is high. These are problems which we will have to tackle with a will. I trust and believe that in the days to come there will be a natural readjustment brought about. I believe that in the natural course of events deflation will correspond more in all lines of industry, but at the same time I see no reason why industries that have to work two days to buy the products that another industry produces in one should be asked at this time to pay toll to the large centralized industries throughout this Dominion. The Speech from the Throne gives us promise of some redress in this regard, and I hope that that promise, to use the words of the Prime Minister himself, will be abundantly fulfilled.

Mr. J. R. OUIMET (Vaudreuil and Soulanges), (Translation): Mr. Speaker, on the 3rd of March, 1924, an honourable member who is well known to me gave utterance to the following words, which I find on page 15 of Hansard:

> Mr. Speaker, it is my duty and my privilege to be first to congratulate the mover (Mr. Kelly) and the seconder (Mr. Lapierre) of the Address this afternoon on the acceptable way in which they have performed a none-too-easy task. All of us recall how trying is the ordeal when a new member first addresses this House. Sometimes the ordeal does not become very much mitigated with custom, but nevertheless the first is the most trying, and the success of the hon. members I acknowledge freely and compliment them thereupon. Possibly in respect particularly of the hon. member for North Cape Breton and Victoria (Mr. Kelly), if I caught aright a portion of his address, I should congratulate the government too.

This language is truly comforting to me, Sir, for it is the first time that I have had the honour to speak in this House.

The right hon. leader of the opposition showed so much sympathy towards new members that I shall take the liberty of adding a few remarks and of expressing my views relatively to what has been said, this session, in reply to the Speech from the Throne.

I do not think the House will deny me that privilege and that the courteous members who honour me by listening, at present will not reproach me for having abused of their precious hours of deliberation during the last two sessions, as I have been very patient and I hope to be likewise treated.

I listened with much attention to the different phases of the debate. I pondered over them. I found some of them quite to the point; others I found wanting. However, before taking up the subject I must—and I believe it my duty to do so—extend my congratulations to the mover and seconder of the Address in reply to the Speech from the Throne.

I should further add, Mr. Speaker, that for the first time in my parliamentary career the occasion lends itself to publicly convey to you my respects and congratulations for the mark of confidence that parliament has bestowed upon you by raising you to that eminent post of Speaker of the House of Commons. I would fear to wound your proverbial modesty for congratulations have poured in upon you from all sides, as much from the loyal as from the disloyal opposition of His Majesty as those that come from the party to which I have the honour to belong, they are so sincere that I shall not further dwell upon them; but I have private reasons to recall them to my memory, and especially the congratulations of those who were witness of your start in life, the troubled period of your political career and the period so calm and full of consolation of your university life.

I had the signal honour—it is now nearly twenty-four years ago—to be one of your most diligent students, and although not one of your most brilliant, yet one of the most deserving, owing to nature having deprived me of many gifts.

You will remember, Sir, your lectures on the history of Law, at Laval University, now Montreal University. I must admit that, never perhaps during our university life, my contemporaries and myself benefited so much by the excellent maxims of probity, honour and patriotism that you forcibly impressed upon us at the time.

We are all growing old, and it now gives me much pleasure to recall these reminiscences this evening. As it was so well said by a great French writer—I think it was Charles Nodier, in his Souvenirs de Jeunesse—it is one of the most delightful prerogatives of old age to recall with great accuracy reminiscences of one's youth.

You will pardon me, Mr. Speaker,—both you, and the late Mr. Monk, were so kind to your students of Laval in those days,—if I recall publicly these recollections which linger forever in the memory of those who are of fair lineage. As it was so nicely expressed by the hon. member for Nipissing (Mr. Lapierre): Tutored at the school of the great deceased, Sir Wilfrid Laurier, who, although a Liberal, had a considerable number of political admirers holding opposite views to his, but who rendered him justice; you have sown the seeds of probity and honour in our midst, and we have endeavoured to follow your advice and teachings.

It is therefore in this frame of mind which you have so well fashioned that we feel happy to acknowledge publicly this homage, we, all your old students of Laval, who, since you occupy a seat in this House, number, I believe, over fifty, either as member, minister or Speaker. I beg for the leniency of the House as a new member and a novice in my political career. Representing one of the finest, if not the finest county of the province of Quebec, situated at a distance of 70 miles from Ottawa and 50 miles from Montreal, the county of Vaudreuil and Soulanges which did me the honour of returning me by acclamation March 22, 1922.

Why did this election take place at such an early date? How does it happen that our good friends, our opponents, did not think it worth while, neither in my case nor that of my good and excellent neighbour, the member for Jacques-Cartier (Mr. Rheaume) to contest our respective counties? There must have existed a cause to all this, and I discover it in the fact that the Conservative party was still sleeping, and that it has since awakened after an alarming slumber, which might have been taken for a serious enough coma so far as the province of Quebec is concerned. It was so fast asleep that, on the 1st of September, 1923, this same party, semi-conscious, thought it was time to awake, and, Sir, I will establish the fact that it awoke in the county of my good friend from Jacques-Cartier (Mr. Rhéaume), at Cartierville. I have before me certain invitations which had been sent to me by our good friends the Conservatives who thought that something might be gained in the county of Vaudreuil and Soulanges and that we, the Liberals should endeavour to allow ourselves to be swayed by the honourable leader of the opposition.

Therefore, on Saturday, Sept, 1, 1923, reappeared again, at Cartierville, the Conservative political picnics of the province of Quebec, and this notice, which I shall read in a minute, had been scattered everywhere in the county of Vaudreuil and Soulanges, from Point Fortune as far as Point Cascades where we have a great number of Conservatives and Liberals. Here follows the programme which had been sent to our good friends:

At Cartierville
Revival of the
Conservative Political Picnics
In the Province of Quebec
You are cordially invited

On Saturday, September 1, 1923, will take place, at Belmont Park, Cartierville, a large Conservative political picnic.

Belmont Park is an ideal spot for a day of rest and recreation; situated close to the tramway terminus at Cartierville, on the banks of the river des Prairies, east of Lachapelle bridge, it offers numerous amusements: merry-go-round, ferris-wheel, orchestra, band, beautiful lawns, century old trees, shaded groves. All,

girls, boys, men, women and children are cordially invited to this country festival which will be a grand prelude to Labour-day.

The political picnic will begin at 9 a.m. (Standard time) and end at 9 p.m. (Standard time).

The only expense you will have to incur will be in the making up of your basket for lunch and supper.

Be one of this great popular manifestation.

Both in the morning and afternoon, games will be held, amusements of all kinds, races opened to all ages, and various tournaments which will be rewarded by the distribution of costly prizes to the winner at the end of each event.

The programme of the games will be published in the sport page of our daily newspapers, on Friday, August 31, and will also be distributed at the door of Belmont Park, on the day of the picnic.

About 2.30 p.m. will take place the open air events when political speeches will be delivered by the right honourable Arthur Meighen, the hon. Rodolphe Monty, the hon. C. C. Ballantyne, the hon. André Fauteux, the President of the Cartier-Macdonald club and the President of the Conservative Association, English section.

A sufficient space to park, if necessary, 600 motor cars, in the Belmont Park, has been reserved for the occasion. The entrance and parking of cars will be free.

The transportation facilities from Montreal to Cartierville will be announced more in detail in La Presse and La Patrie of Thursday, the 30th of August.

A special detachment of policemen will be responsible for the comfort of all and also assure that peace is well kept.

There will be no entrance fee and Belmont Park will be open that day to all who wish to divert and rest themselves.

N.B.—Keep this circular, it may be useful to you on the day of the picnic.

The hon. member for Jacques Cartier (Mr. Rhéaume) was not, perhaps, present at this grand picnic—which took place in his county, but he was wrong. Two days after this picnic, a certain newspaper of Montreal, which I shall take the liberty to quote in this House, a very interesting newspaper, which was and still is in the public eye published a report which is worth reading, but which will be rather displeasing to the hon. members who sit on the opposite side, because it concerns them too much. This article under date of November 27, 1923, has for heading: "Mr. Meighen and his showmen." This newspaper Le Devoir among other things says:—I do not wish to overtax the House too much in quoting the whole article, for fear any one should think that I have abused my privilege during the two first sessions that I have occupied a seat in this Parliament!

The people of Quebec have the right and the duty to remember that Mr. Meighen was not the sole author of the Conscription Act, but its most narrow-minded interpreter and its most odious perpetrator.

I think, Sir, that I have the privilege of citing this extract; it is not I that speak.

It is an open secret that without the eventual and wise influence of Mr. Doherty and Mr. Borden, the

[Mr. Ouimet.]

laws on conscription, censure and prescription would have borne more heavily on the people. If we wish to speak of prejudice and injustice, why not begin by branding as it should be the stupid ingratitude of which the Federal Conservatives gave proof against the most respectable and the least guilty among their leaders, to cling to the sharp flanks of this knife blade politician, whom they persist in forcing upon us ?

This is very wicked, I would never have uttered these words in the House.

The people of Quebec have also the right and the duty to reject Mr. Meighen's economic policy, half-protectionist, half-socialist, his clumsy electoral empiricism which aims at winning over both the views of the West and the gold of the eastern manufacturers. The province of Quebec wishes to keep away from either one or the other policy, both are equally contrary to its instincts of social and economic equilibrium, instincts of which the *Gazette* is the first to acknowledge, on all occasions, the effective and truly conservative importance in the true sense of the word. By remaining faithful to this tradition, and thereby repelling the man and the policy which embraces the opposite views, the people of Quebec do not only protect their own interests: it renders a great service to the whole Confederation.

The Quebec people, the Canadian people—I mean those who are Canadians in preference to being English or French—have equally the right and the duty to sift and expose the imperialist policy of Mr. Meighen, to disclose their dangerous leanings and disastrous climax into which it would plunge the whole country.

* * *

In his recent touring of the country, Mr. Meighen applied himself, with more cunning audacity than true courage—regardless of what the *Gazette* may say—to justify his imperialism. He deemed it convenient to take his bearings from me: I do not wish for war any more than Bourassa! This is childish. No one, except a few rabid fools desire war for the sake of war. Very few people in France, in Germany, in England, in Italy wanted war, in 1914, still less do they want it to-day. Nevertheless, they were all embroiled in it; they are again rushing towards it. What must be shown, is that Mr. Meighen's policy does not incline to war no more than min or any body else. On this score Mr. Meighen hangs himself by wishing to justify himself, while shamefully contradicting himself.

* * * * *

I take the liberty, Sir, to quote this rather long article, as a number of members have already, to my knowledge, given much more extensive extracts:

"I have put on the boots of Cartier and Macdonald" he said, at Victoriaville. What modesty! That he robbed those large boots, thanks to the degradation of his party, it is possible; but so that his skeleton feet might fit, he had them ripped, shortened, narrowed and shaped in such a way that they remind us of the original ones, like certain cobbler's show-case, those of "General" Tom Thumb compared with the boots of the giant Beaupré.

Macdonald and Cartier applied themselves during all their lives to bring to a triumph this double principle: Canada must provide, to the full extent of its power, to its internal defence; England must alone carry the burden of the naval defence of the Empire and of all imperial wars. It is by adhering to this just principle that Cartier refused to the British Government any form of co-operation in the organization of a nucleus of the imperial forces; that Macdonald

repelled the overtures made to drag him in the wars of the Soudan.

Sir Alexander Campbell, in 1887, established clearly that Canada has no other Imperial obligation than to provide, within the scope of her power, to the defence of her own territory. In 1890 and later, Sir Charles Tupper—

A gentleman who held, I believe, the post which the hon. member for Grenville filled at one time,—

—opposed vehemently the first overture of military and naval contribution.

I think that I am interpreting the views of my hon. friend from Laprairie and Napierville (Mr. Lanctot) in quoting the following extract:

Mr. Meighen, like the quack doctor of Molière has "reversed everything". From the outset of the Great War, he proclaimed that the Canadian Government is held in honour to put the country "into Bankruptcy" for the glory and safety of the Empire. Again to-day, he holds that Canada is bound in duty to make common cause with Great Britain each time that the latter is at war, and therefore we must arm by land and sea. What Cartier, Macdonald, Tupper and the whole Conservative party as well as the whole Liberal party, from 1860 to 1899, held as unjust, condemnable, disastrous for Canada, even contrary to the true interests of the Empire, he considers desirable, expedient, necessary; it is even, he says, the only "honourable position" that Canada can occupy in the Empire. With such views, he wishes us to believe that "he walks in the footsteps of Cartier and Macdonald." Nonsense! At the very most be hardly finds means to screen his banners behind a torn flap of their trousers!

Obstinately resolved to continue his journey, full of jolts, in his top boots where his head is lost, as well as his feet, the Tom-Thumb of the neo-conservatism attempted, at St. Hyacinthe and Drummondville, to justify his wild prank of last year, when he insisted at all costs, that Canada should hurry to the rescue, arms in hand, at the sound of the first trumpet blast of Lloyd George, after the failure of Smyrna.

"The treaty of Sevres obliged us to this," he said, "we had to honour our signature." To want to hold us tied down for ever to a senseless, impracticable pact, disowned by all its authors, and never internationally ratified, that alone is enough to show the dangerous blindness of the personage. Can one imagine where could drag us this puny advocate, anxious for his pound of flesh, if the public aberration placed in his hands power and authority?

And the newspaper further adds:

It would be unfair not to point out the pious ardour of the two Quebec acolytes of the epileptic pontiff of unionism. Inspired by a zeal worthy of a better cause, Mr. Monty and Mr. Fauteux are bent on waging war against the "prejudices" of their compatriots. Their struggle both touching and ludicrous reminds us of the doings and gesture of certain personages matched together, in the comic reviews: Plic and Ploc, Mutt and Jeff, the Big and the Little one.

Of the two, it is still the little one who is the weaker. At Victoriaville, Mr. Fauteux reminded us of the preliminary work undertaken and the responsibility resting upon Laurier and the Liberals in the imperialist revolution which dragged us into the whirlpool of war and conscription. The remark fitted in well, and the tactic was fair. But what seems to be less in evidence, is that Mr. Fauteux and Mr. Monty, who, in the past, denounced Laurier's camouflaged imperialism, have the right to demand that their compatriots swallow Mr. Meighen's gut-twisting imperialism.

Mr. Monty thinks that the French Canadians should place their confidence in Mr. Meighen, because he speaks from day to day better French, and that tomorrow like yesterday, he is willing to place in office many "Canayens". That is what becomes, in the hands of narrow-minded politicians nationalism in matters of language and patronage. That Meighen speaks the French language like Bossuet or Mederic, like Berryer or like the most dense ear-drum breakers of our courts and hustings, this in no way alters the worth of his views, his policy and of his person. Bismark spoke French perfectly; this in no way proved that he was France's best friend. Besides, one cannot too much insist upon the fact: it is not because he is an enemy of the French Canadians that Mr. Meighen does not deserve the public confidence: it is as an enemy of Canada, as destroyer of Canadian nationality and also of the best Conservative traditions: it is because, everything tends to show it, he is ready to shatter the economic equilibrium of the country, its social peace, its international position; it is because we know that he is quite willing, to satisfy his incoherent passions of half educated theorist, to drag Canada in the worst internal as well as external ventures.

Deluded politicians may find him an able dialectician; people without any foregone conclusion but endowed with some power of observation look upon him as a dangerous demagogue. The small Plics and the big Plocs of the reborn and soulless Conservative party—will strive in vain: the people as a whole, left to their good common sense, will not have him.

Mr. Speaker, I do not intend to quote any further from this article for I notice the hour is quite late. However, it does seem that the Conservative party awoke, but somewhat late for our by-elections in the counties of Jacques Cartier, Vaudreuil and Soulanges and others. They are to awake, one hears, in the province of Quebec. According to what I have just mentioned a few minutes ago and the extracts quoted, it would seem that the province of Quebec will tremble in the presence of my right hon. friend, the leader of the disloyal opposition of His Majesty!

What will be this awakening of the Conservative party? What will the awakening of the whole population be, not only of the province of Quebec, but from one end of the country to the other, from Victoria to Halifax? On what grounds will the electorate stand to judge of the awakening of the disloyal opposition of His Majesty? Will it be on the good faith of the leader of the Conservative party? Will it be on the good faith of the leader of the Progressive party or will it rather be on the good faith of the leader of the Liberal party, the right hon. Prime Minister of Canada? I notice on the faces of those who are listening that the answer is a foregone conclusion. It will be on the good faith of the leader of the Liberal party who, at present, presides over the destinies of Canada. The people will acknowledge the good faith of the upright and honourable man who

is in charge of our affairs, and the country will judge him upon this good faith. In their hearts the masses are just. Rouse their passions and they may get beyond control.

During the last session it could have been an easy matter to defeat the government. We had but, if I am not mistaken, eight of majority on the budget vote. That budget, as it was brought down in the House, made for economy, economy on all sides, economy showing thrift, etc., however, there were many others to practice; I will but mention one: that of speech. Indeed, what everyone thinks but does not express, I think it is my duty to mention, for I am free to express my thoughts. We had, in the course of the last session, on the budget as well as on other subjects many a sermon and advice. About eighty speeches were delivered on horse racing—"Malum per accidens and non malum per se" as would put it the hon. member for Dorchester (Mr. Cannon)—as a guide to our views on the question of labour, on the "loafing on the job," on immigration, on Imperial matters, on the French Treaty, on halibut fishing, which the hon. Minister of Marine and Fisheries (Mr. Cardin) will now have to take up, with the help of the good advices of the hon. Minister of Justice (Mr. Lapointe). Incidentally I congratulate them and also the government for these appointments. They are of all, the two best appointments that could be made by a government conscious of its responsibilities and of the worth of the men it placed in these high offices.

We also had during last session, interesting discussions on decreasing the parliamentary indemnity, and if the hon. member for Vancouver (Mr. Stevens) was in his seat, this evening, I should sincerely congratulate him for the gallant way in which he opposed this measure. It is particularly on this last debate that we were treated to an amusing lecture of an altogether maiden-like and innocent simplicity on the part of these sanctimonious people, always fretting for others, while quite at ease for themselves, and who imagine that through shamming all sins will be forgiven.

If we had, in this House, only promoters—or lady promoters—of the parliamentary indemnity reduction, we would have to submit to a bankruptcy act for cradles. Fortunately, as the hon. member for Jacques Cartier so well expressed it, the cradle bankruptcy is not to be feared in the province of Quebec "for husband and wife religiously live up to their matrimonial obligations." May I ask the members of this House if things would so happen in certain counties of Ontario, should the electors deem it proper to choose as their representatives persons of canonic age? But the "démon du midi" is there watching and I would not be astonished to see the county of Southeast Grey become vacant one of these days, and, there, we shall witness a great fight between the parties.

I paused, listened and kept my eyes open during the last sessions which I attended. And as I have the advantage—I think I may say so without appearing to boast—to speak both languages in use in this country, of which one is understood by all and the other—the most important and the one most used in diplomatic circles—is spoken and understood only by a selected minority, I was deeply and sadly deceived after listening attentively to the leader of the disloyal opposition of His Majesty. As to the leader of the loyal opposition of His Majesty—an opposition, forsooth, but more sedate and conforming more with the sound teachings of the instinct of self-preservation, and the satisfaction of duty accomplished for the welfare of the country and not of his party—I cannot but congratulate him on the position taken.

I have always had for the official leader of the disloyal opposition of His Majesty a profound admiration, and in this I think I share the opinion of the hon. member for Drummond and Arthabaska (Mr. Laflamme) who made no secret of his admiration for the leader of the opposition, but who, in a speech he made, and which expresses well our opinion, could not approve his way of reasoning, neither his insight nor his judgment. I will quote his words, which are to be found at page 2896 of Hansard, Vol. III, Session of 1922.

> The hon. leader of the opposition (Mr. Meighen) who has, in this House, no greater admirer than myself and who commands a prestige far in advance of what his age would entitle him to—I say it openly; I stated it in private, I may do so in public—and who is a powerful debater almost without any rival in this House—merely told us in picturesque language which I shall condense into a simile after the Latin mind, by saying: that the hon. Minister of Finance's head was as white as winter. He forgot to add this: that time had not impaired his vigour, which recalls a spring day.

And further on, at page 2896, during the debate on the budget, when it was a question of whether the Liberal party would remain in power and what would be the stand taken by the hon. western members on the budget, he said:

> In other words the gentleman sitting opposite to us stated: Your policy is a poor one, but you are wrong in not having followed it. On the contrary, they add,

the principles we have been preaching for the last half century are the only true ones; by applying them, you are wrong. This is, Mr. Speaker, one of the things that I have not yet understood, during my short experience in this House. I hope that public life will impart sufficient suppleness of mind to enable me to understand that this distinguished political leader and statesman was right when one day he endeavoured to reassure me in these words: My friend, logic and politics in Canada are two grand ladies who have never met in the same drawing room.. . . .

I think the time has come for one who, to-day, enters public life to shoulder his responsibilities, but I must, casually, remind the very able and estimable leader of the Agrarian party (Mr. Crerar) that to-night or in the wee hours of morn he will meet at the cross roads that lady of which I spoke a few seconds ago, and by name—cold logic.

And the hon. member for Drummond and Arthabaska ended his speech by these words which have always remained in my memory, because I esteem him highly; he is, indeed, an eminent lawyer, highly endowed, and who has much sway over the Liberal party and wields much influence in his profession, because his judgment is always sound:

I submit, Sir, that these three reasons are not worth much. I am sorry to say so—because the right hon. leader of the opposition, who does me the courtesy of listening just now, will not find in this House a greater admirer than me—I find with regret that the exigencies of politics have induced him, in his anxiety to defeat the main motion which is before Parliament, to take a stand giving the impression that there comes a time when the image of his country is dimmed by the clash of party interests, to the point of preventing him from taking a broader and more lofty view of the question.

We admit that the leader of the opposition has good qualities which he might have devoted to a better cause. I would not go so far as to say that I admire him more than the hon. member for Drummond and Arthabaska; it would be wronging our leader that I respect and honour, and who was able to surround himself with efficient ministers. I, therefore, admire the leader of the opposition, but, like the hon. member for Drummond and Arthabaska, I cannot admire his reasoning powers, his insight or agree with his conclusions; and in this I think I am expressing the opinion of one of my good friends, who at times, but at times only, evinces a kindly disposition toward the opposition leader. I refer to the hon. member for Lunenburg (Mr. Duff). The right hon. leader of the disloyal opposition of His Majesty is, as the Minister of Defence so well expressed it one day, like the Bourbons of the old regime: He has neither learned nor forgotten anything. He has not even forgotten his own defeat, or his enthusiasm for the glory of the Empire. And if you will allow me, I shall remind you by the way of his momentous words uttered during the war: "To the last man, to the last dollar for the glory of the Empire." All the votes of these poor soldiers that are fighting in the trenches for the glory of the Empire, we must have, to carry a county by the name of Nipissing, or Chambly and Vercheres. We must, with that end in view, send code telegrams; we must hold on to power, notwithstanding the solemn promises we gave that we were only a war government. But, nonsense, we hold the power, and we shall keep it. "What we have we hold" always for the glory of the Empire.

We know the result produced by this statement, in the province of Quebec. Destiny, chance, unfortunate words and many other contingencies that I shall not undertake to discuss have made the right hon. leader of the opposition, an extraordinary personage under cover of meekness and modesty. He has a particular way of his own to pulverise his opponents and hurl the thunderbolt of eloquence. He gave us to understand, on many occasions in this House, that the party to which we belonged had broken its pledges, that the people had made a mistake on December 6, 1921. I delight in recalling his indignation, either dissimulated or real,—because I am told he is a great comedian,—when an hon. member hailing from the county of Springfield (Mr. Hoey) reminded him of his broken pledges. This did not prevent this hon. member to vote with the leader of the opposition on the budget however the hon. member voted according to the dictate of his conscience. The right hon. leader of the opposition has also proclaimed his great, immense, unfathomable love for the province of Quebec. Well, I have a word to add in regard to this great love expressed in words so odd that it could not be thought sincere by people in earnest as those of the province to which I belong. When, Sir, he made those statements in the province of Quebec, he must have twisted his features in ludicrous fashion; it would have been worth as much as to see a dog swallow wasps. What has been this tardy admiration, and this sudden manifestation for the good old province of Quebec? You will allow me, Sir, to express it in two words. This love was declared, as I said a few minutes ago, at the time of the Cartierville picnics and the awakening of the Conservative party, but it had previously shown itself. It had seen daylight on a memorable date, a few days I think, before the general elections of December 6, 1921. About that time, there must have been a caucus of my right hon. friend's party; at

that caucus they must have discussed the very uncertain chances of the Conservative party in Quebec; note, Sir, that I was not present at the caucus, but although I was not there, the following scene must have taken place, which I will enact for the amusement of the House,—it may perhaps divert the member for Grenville (Mr. Meighen): The Chairman of the liberal-tory-conservative-national-nationalist caucus must have told his partisans, by putting the question: "General elections are to take place, the date has been fixed for December 6, 1921. We have been in power against the people's wish long enough, we are going to consult popular opinion. What is, my good friends, your opinion?" Our advice is, answers the choir of leaders of the unionist group, that we must have general elections on December 6, 1921". Second question put by the Chairman of the caucus: "How shall we organize?" Unanimous answer: "The best way possible so as to remain in power which is so dear to us." There were delegates from all provinces at the caucus, even perhaps from Quebec. Third question by the chairman of the caucus: "How shall we act to meet the views of all the provinces—the Maritime provinces, the eastern and western provinces?" "For heaven's sake, give them cabinet appointments, " answers the chorus of wise Areopagities. "Ministers, ministers, inquire some delegates of the province of Quebec, but we have not had any in your cabinet since you have been in power." " We shall make some," answers solemnly the present right hon. leader of the opposition. "How will this take place?" questions the chorus of caucus members. " The thing is quite simple" answers the chairman, " we will make honourable three persons that have never taken part in politics; one in Three Rivers; another in Terrebonne; and still another in Montmorency and Charlevoix; and finally one in Beauharnois." The trick was played, and if the province of Quebec was not satisfied, well, it was very unreasonable. What happened, Sir? The result is known. The province remembered that this sudden effusion must have been brought on by interest which is the measure of the Conservative party's acts, We had the great satisfaction of seeing the Hon. Mr. Belley crushingly defeated by the hon. member for Charlevoix and Montmorency (Mr. Casgrain), we saw the hon. President of the Privy Council beaten hollow by the present hon. member for Three Rivers (Mr. Bureau); we saw the hon. member for Beauharnois (Mr. Papineau) elected against the Hon. Mr. Monty; we had the full satisfaction to see the hon. Solicitor General, who had been so strongly urged upon to accept the nomination utterly defeated by the present hon. member for Terrebonne (Mr. Prevost). That is the result of the policy followed by my right hon. friend; and to-day it is asserted that the Liberal party—fears election. I shall quote the words of the right hon. member (Mr. Meighen) who spoke before me and immediately after my hon. friend from Nipissing (Mr. Lapierre) and proclaimed in his peroration, that the Liberal party dreads elections:

> I venture to assert that the opinion of the people of Canada, already so often expressed, now so evident that he who runs may read, now so apparent that conceivably the government is urging its supporters to keep in the best of health and the pink of condition, for they want no more by-elections—I venture to assert that the judgment of the people of Canada is already written and waits only to be handed down and that the electors only abide the day when the conduct which I have described will be once and for all put an end to-the conduct legislative, the conduct administrative and the conduct electoral.

I wish to apologize, Mr. Speaker, for having spoken so much at length. We have followed Sir Wilfrid Laurier's policy since 1921, we, the Liberals represent, in this House, all the counties of the province of Quebec, and, I believe, we could again appeal with confidence to the impartial vote of the people. We have tried by all possible means to re-establish peace and harmony between the different groups and the various views which exist in this country. We are pushing forward and we will co-operate with all men of good will to bring back prosperity as it existed in our country previous to the troubled days of war. We do not wish to cast any slur upon the right hon. leader of the opposition who violently attacked us during the course of the last two sessions and who, to-day, again exhibited his fighting spirit reminding us of Captain Fracasse. He thinks that fear is in our hearts. We invite him to come to the province of Quebec as much as he pleases; he will always be a welcome guest; but as our late leader, Sir Wilfrid Laurier, at times said: "When I visit Toronto, I am always a welcome guest, but Toronto always votes against me."

As for our good friends the Progressives, we invite them to join us, for we have always been without fear or reproach, as becomes worthy knights.

On motion of Mr. Sutherland the debate was adjourned.

On motion of Mr. Graham the House adjourned at 10.38 p.m.

Friday, March 7, 1924

The House met at three o'clock.

REPORT

Annual report of the Department of Railways and Canals.—Hon. Mr. Graham.

DEPUTY RECEIVER GENERAL'S OFFICE, TORONTO

On the Orders of the Day:

Hon. J. A. ROBB: (Acting Minister of Finance): Mr. Speaker, yesterday on the Orders of the Day the hon. member for South York (Mr. Maclean) made the following inquiry:

Will the Acting Minister of Finance (Mr. Robb) please inform the House and the country when the Deputy Receiver General's office in Toronto ceased to function as a place for public deposits at interest, with right of withdrawal in Dominion notes, and whether it is true that deposits on similar terms are still being received by the Deputy Receiver General's office in British Columbia and in the Maritime provinces.

I now have the answer which is as follows: The Government Savings Bank agency at Toronto was closed 1st November, 1905, and the Savings Bank deposits transferred to the control of the Post Office Savings Bank. The public could make deposits and make withdrawals at this office. The withdrawals were met by issuing a cheque drawn on the Bank of Montreal. The depositors were not at any time paid in Dominion notes. Government Savings Bank offices are still in existence at Victoria, B.C., St. John, N.B., Halifax, N. S., and Charlottetown, P.E.I. All other offices have been closed out and the deposits transferred to the Post Office Savings Banks.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

Consideration of the motion of Mr. Kelly for an address to His Excellency the Governor General in reply to his Speech at the opening of the session, resumed from Thursday, March 6.

Mr. DONALD SUTHERLAND (South Oxford): Mr. Speaker, those of us who have been in parliament for a number of years will appreciate the difficulties of new members in addressing the House for the first time. Consequently I feel it a pleasure that we can all congratulate the mover and seconder of the Address on the manner in which they faced the ordeal.

Before proceeding to discuss matters pertaining to the Address, I should like to refer to the absence of some familiar faces as the result of illness. I refer more particularly to that veteran statesman, right hon. Mr. Fielding, and to Sir Lomer Gouin. Both of these gentlemen have occupied a very prominent place in the public life of this Dominion for many years, and I feel that I am expressing the sentiments of every hon. member when I say that we regret very much the circumstances which prevent their being present with us, and that we hope they may soon recover their usual health and vigour and be able again to participate in our deliberations. Their absence from this House is a distinct loss to the country, particularly under the conditions which now confront us.

There is nothing to be gained by trying to make ourselves believe that things are different from what they actually are. We are faced with a very serious condition of national affairs, as is every other country in the world to-day. This is something that naturally might be expected after the disturbing events of recent years. When we look back and realize the conditions which prevailed ten years ago and contemplate what has happened since, we can come to no other conclusion than that great national and international events have much more to do with our constitutional development than have the actions of individuals. We find all the nations of the world to-day endeavouring to re-establish themselves on a sound footing in order to meet most effectively the difficulties with which they are confronted. But I am sorry to have to feel that we are not acting with that unity which the occasion demands. I believe that we are altogther too provincial in our outlook, that we are viewing things from a narrow selfish standpoint instead of nationally.

There is an old saying, that a house divided against itself cannot stand. We have the old British system of government which, although not yet perfect, has been developed through the centuries and has been adopted by every progressive country in the world—the party system of parliamentary government. To-day the respective parties represented in this parliament come in solid blocs from certain provinces, and not a solitary representative from some provinces is to be found in the ranks of some of these parties. This is a new experience. I regret very much indeed that we have become, at least in my opinion, narrow and more provincial in our outlook than we were a few years ago. I have no doubt, however, that in the course of time circumstances will compel us to adopt a broader outlook. Every hon. gentleman in this House must have a distinct recollection

of the dark days of 1918 when we were face to face with a grave crisis, and the fate of the world was in the balance. At that time things looked very black indeed. After four years of strenuous struggle on the part of the leading nations of the world it was found necessary, in order to bring to an end the conflict which had continued for so long, that there should be a united effort put forth by the allied nations to defeat the enemy. We all remember those ominous days. Early in the year 1918, when the greatest events were occurring, as we can quite well recall now, there came a sudden change in the condition that had prevailed, and the end of the conflict was hastened as a result of a united effort on the part of the allied countries, under a single command agreed upon for this purpose. I believe that the same spirit is absolutely essential at this time if we are to successfully overcome the difficulties that face us. Some will say, no doubt, that there is no use in reviewing past events because we are more concerned with the present and the future. Well, the experience of the past is a great teacher, and those who are not willing to profit by the experience of others, and the experience of nations in days gone by, are not likely to meet with much success in dealing with the world's affairs.

I shall mention presently a matter that has been featured in the Speech which is now under consideration by the House; and in doing so I would call the attention of hon. members to an event of some years ago which in many respects resembles the situation that now prevails: I refer to the abrogation of the reciprocity treaty which existed between the United States and Canada at that time. Some can recall what followed; I am not able to do so. I have, however, a distinct recollection of hearing these matters discussed, when I was quite young. When we review our history and see what the people of Canada did, when we realize the tremendous obligations which they undertook and how resolutely they set about overcoming their difficulties, I think we should draw an inspiration from the story of those days. As a result of the trade relations that then existed between ourselves and the United States, a country extending along our borders for four thousand miles, we found it necessary to develop new channels of trade; which completely revolutionized the business of our country. What happened? One of the first things that occurred was an unfortunate raid on our country by an organized body from the republic to the south, this was known as the Fenian raid and it was quickly repelled.

The next great event was the confederation of the scattered provinces of Canada, and in consequence of that union this great Dominion was formed in 1867. In 1870 the Hudson Bay Territory was purchased by the Dominion of Canada, and in the same year Manitoba became a province. A rebellion took place in western Canada at that time and was speedily suppressed. In 1871 the province of British Columbia came into confederation. In 1873 Prince Edward Island entered confederation, and in 1876 the Intercolonial railway was opened. In 1878 the National Policy was adopted; in 1880 the Arctic islands were added to the Dominion; in 1885 another rebellion took place in the Northwest and was quickly suppressed, and in the same year the Canadian Pacific railway was completed in order to link together the provinces which had come into confederation. In 1891 a great statesman, who had figured prominently in connection with all these events, died,—I refer to Sir John Alexander Macdonald. In 1896 the Canadian Northern Railway Company was formed; in 1903 the Grand Trunk Pacific Railway was chartered; and in 1906 Alberta and Saskatchewan became provinces of the Dominion.

I have referred to these events because I want to emphasize the necessity for a broader outlook on the part of our people. We must unite our forces if we wish to overcome our difficulties effectively. Canada entered the war at the oueset and made tremendous sacrifices in order to assist in bringing about the victory which was finally attained. I listened in this House the other day to a remark by an hon. member to the effect that possibly, if Canada could have foreseen or could have realized the obligations which she was going to assume, she would not have put forth so great an effort, nor would she have undertaken such stupendous obligations. Well, we can all be very wise after things have happened. We can see where mistakes were made. But was that the case in so far as this country is concerned? The forces which went from this Dominion met the enemy at some of the most critical points on the battle line, and it is hard to say what the result would have been had not the men from Canada been there and in the struggle. The attitude of Canada was an inspiration not only to the people of its Motherland, but to the other dominions and to all the allies. I am not one who will ever regret that we put forth every ounce of energy that it was possible for us to exert in those days. I think it was one of the finest things that ever happened in the history of this Dominion, and that it will be an inspiration of generations yet unborn to per-

form their full duty to this Dominion in the years to come.

After the struggle was over, we found the nations endeavouring to re-establish themselves and to meet their obligations, we again found that our neighbours to the south—and they were well within their rights—do not imagine for a moment that I am attaching any blame to them; it is their duty and their business to look after their own country and to adopt the measures that are best for their own people—adopted a customs tariff which placed another obstacle in our way in trading with them. We are again faced with a condition very similar to that which prevailed in this country in 1866 when the reciprocity treaty of that year was abrogated by the United States. I am referring to this because I wish to call the attention of the House to the position of those who argue that we made a tremendous mistake in 1911 in not adopting the reciprocity pact which was brought before parliament in that year. I want to emphasize this feature of that arrangement; it was a pact which might be terminated at any time by either party, and the people of the United States, if they felt that they were not reaping any advantage from any arrangements which they might have adopted at any time, could with a change of government or without again upset the conditions which had been in existence it may be for three or four or five or more years, and we would then again find ourselves with our trade channels destroyed, and new ones would have to be developed. What we need to do in this country is to develop a policy that we can be assured will have some degree of permanency, and to follow out that policy without regard to what may be done by people of other countries. Just along that line I would like to refer to some statements which were made by men prominent in the United States before that country saw fit to adopt what is known as the Fordney-McCumber tariff. In an address delivered before the New York Chamber of Commerce Mr. Charles M. Schwab said:

> Germany has gone back to work as has no other nation in Europe. Her working people are economizing, sacrificing and throwing themselves into real production.
>
> Believing as I do that the strength and prosperity of a nation depend upon the efficiency of its labour, I had something of a shock in contemplating this thought.
>
> Is it possible that after having won the war we of the allied nations, with everything in our hands will allow Germany to win the peace through the efforts of her labour?
>
> Germany can to-day put a ton of steel in England at a price $20 per ton cheaper than what it costs England to make it. Germany is to-day selling pneumatic tools in Detroit where formerly we made machinery and shipped it to Germany to sell there cheaper than she could make it.
>
> The difference is solely a matter of labour costs.
>
> Railroad costs must come down and it is in the interests of national prosperity that our government, acting through the Railroad Labour Board and every other agency, shall reduce railroad wages and bring costs down to a living point.

I might also refer to some remarks that were made some time ago by the then Prime Minister of Great Britain, Mr. Lloyd George:

> One of the unfortunate results of the war, which had demonstrated the power of international good will, was that it should have developed into narrow, selfish, blind nationalism that was found in every direction, in customs restrictions and in trade and transportation. Transportation organized to develop international trade was used to prevent international trade. Not merely the amount of tariff was objectionable, but its fluctuations and uncertainties.
>
> The human intellect was exhausted in order to make trade as difficult as possible. This is the condition which we found at Genoa. Although peace has been established in Europe it is quite clear that the war atmosphere has to a certain extent remained. While the conference was sitting troops were marching forward towards the frontier. There is an atmosphere in Europe of international suspicion of impending conflict.

Now you have the opinion of two men very prominent in world affairs. Mr. Lloyd George was regretting the action that was being taken by the various nations of the world in order to re-establish themselves and take care of their own people. He realized the serious situation with which the people of the Old Land were confronted. The hon. member for Brandon (Mr. Forke), the leader of the Progressive party in this House, the other day referred to the fact that there were two million men out of employment in the Old Land at the present time. Now these are things that are worthy of our serious consideration, and I would like to ask those who claim and advocate that those methods which have been adopted by these other countries are all wrong and are based on false premises, what influence can a small number of people, for there are only nine million of us, have against all these other nations, with their enormous populations, that are adopting protective methods of that kind? Are we going to permit ourselves to be absolutely destroyed for a principle or theory when it is a condition we have to face and not a theory? Even if I were the rankest free trader in the Dominion I should have to study the prevailing conditions. Speaking candidly I personally would much prefer—yes, a thousand times—to see a free trade policy adopted among all the nations of the world under which merit or efficiency would be the deciding factor and dominant influence in the world's affairs. Were that the case Canada

would have no occasion to quail at the prospect; she would be in a position to compete with other nations. However, we must be guided by the prevailing conditions.

Here we are, in the northern part of this hemisphere, having a great industrial nation to the south of us, a nation possessed of immense wealth, a nation that did not enter the war at the same time that we did but acquired enormous wealth supplying munitions of war to the allies during that period—indeed, wealth poured in upon them to such an extent that if the people of the United States are in difficulties to-day it is probably largely owing to the fact that they have too great an accumulation of the world's gold in that country. We have a country equal in area to that of the United States but our population numbers only about nine millions whilst they have upwards of one hundred and ten millions of people. Argue as you will, we know that our people are passing to the country to the south, are crossing the international boundary line, every month, every week, and every day in increasing numbers. The prediction has been made by our immigration authorites at the port of Detroit that if the present movement continues, 500,000 of our people will cross into the United States before the end of the present year. In face of this I regret that there is no evidence of any real effort on the part of the government to do anything which will retard this movement, which will encourage our people to remain in the Dominion and develop the great resources which she undoubtedly possesses.

Mr. Schwab referred to what he deemed to be one of the most essential factors necessary to establish improved conditions in the United States, and that is transportation. If that is a prime necessity in the United States what must it be in Canada, a country of equal area but only sparsely populated? To my mind transportation is the great problem we have to solve at this time. The costs of transportation in Canada to-day are so great that they are positively strangling and discouraging industry and enterprise everywhere. We must bring about a better condition of affairs in that regard, or else we cannot develop our natural resources as they should be developed. I appreciate the difficulties that our friends in western Canada have to face, and I may say that I have seen evidence of those difficulties on numerous occasions. As I listened to the hon. member for Swift Current (Mr. Lewis) the other night when he described what it cost to transport the products of the farms in the West to Toronto, and other eastern points, how it practically absorbed all the profits they might naturally expect to realize on their produce, how absolutely impossible it was for people to carry on under such conditions, I could not help feeling how serious the situation was.

I am now going to touch upon something that has not been referred to in detail during the debate—the cost of railway transportation in the country. I have had occasion to make purchases in our own province, at points not a great distance away, and the cost of transportation for a distance of a few hundred miles exceeded by far the value of the products. That being the case, what a difficult position our friends in western Canada must be placed in when their products have to be transported over much greater distances than is the case in Ontario. Some time ago this question came before the House for consideration, and in 1920 it was referred to by the then Minister of Railways during the debate on the subject. The minister in question said on that occasion, with regard to the railways under the control of the Dominion government:

> The wage bill for the year exceeded seventy-three millions, having, owing largely to the McAdoo series of advances, jumped from fifty-four millions in 1918. In other words, out of every one dollar of revenue earned, seventy-eight cents passed directly, by way of wages, to the employees.

Was the service improved as a result of the changes which took place at that time? And let me emphasize this: When the change took place we were face to face with a crisis. It was absolutely impossible for the government of the day to do otherwise than to consent to the scale of wages adopted in the United States. This was referred to by the chairman of the railway board in 1921. I have here the Canadian Annual Review which gives a synopsis of some of the speeches he delivered at that time. Referring to this subject this publication says:

> The railways and the freight rates' question:—The commission and its associated railway problems were much before the public in 1921; the question of freight rates was one of the most conspicuous and difficult of these issues. Mr. Carvell was very frank in his statements and judgments; he expressed himself clearly and did not evade points of controversial character. The railway board visited the western centres in the spring of 1921 and heard various appeals and statements as to freight rates; outside of the commission sittings, Mr. Carvell continued his outspoken utterances. Speaking to the Canadian Club at Brandon on April 22, he described the railway problem as more important than the tariff or any other question before the people: "It cost $40,000,000 more to run the C.N.R. last year than was brought in, and that is not reflection on the people at the head of the railways or on the government. The Canadian National is a conglomeration of a lot of railways that couldn't run themselves and, therefore, had to be taken over by the government, and if anyone thinks the government, or any man, can

take over these roads and turn them into a dividend-paying proposition in a year or so he is much mistaken." In reference to the Canadian Pacific Railway, he was equally explicit as being "the finest system on the American continent". Then he turned to the West and its alleged view of railways; "I have always felt that the true criterion of a public utility that has not the power to increase its own rates is: "What does it cost to run the road"? However, I find here that the criterion is: "What the cattle sell for? What does wheat realize per bushel? Down east it would be the price realized for pulp-wood."

And so on. Further on I find:

As to the future: "No matter what happens, railway labour must be reborn and an honest day's labour for an honest day's pay must be the first principle observed. Canadian labour is not responsible for the McAdoo award, but it is responsible if it is not prepared to give honest service." His view of the labour situation was important because it could not but affect the policy and decisions of the board. "There are engineers and conductors to-day who are making $4,000, $5,000 and even $6,000 a year as the result of the McAdoo Award. I am beginning to be skeptical of the advisability of having Canadian unions controlled in the United States."

Mr. Carvell was unceasing in his expression of opinion along these lines. He told the Kiwanis Club, Vancouver, on April 7th, that, "The people want lower freight rates, but they will not permit us to cut off costly Sunday trains. * * * Next to the unnecessary train services, the greatest factor in maintaining high rates are the wages which have to be paid as the result of the McAdoo award of 1918 and the Chicago Award of July, 1920. There are station agents on the national railways whose wages are from $120 to $225 a month, but who are making from $75 to $125 a week as the result of overtime." To the Vancouver Board of Trade (April 12) he was equally explicit in denouncing, as on previous occasions, the government ownership of railways. "People are going to find out that it will cost $70,000,000 more this year to operate this toy than it will earn."

To the local Canadian Club on the 19th Mr. Carvell declared that: "There must be a rearrangement of working conditions of railway employees, a reduction in wages, a reduction in the price of coal." As to the American wage awards which Canadian railways had to adopt he said: "The payroll for the Canadian National railways prior to the McAdoo and Chicago Awards was $43,265,000; the estimate for the present year is $81,-347,000. The Canadian Pacific payroll prior to the Awards was $56,190,000; the estimate for this year is $100,000,000."

So that this matter of transportation costs is to my mind one of the most important with which we are confronted for this reason, that, instead of encouraging efficiency or anything of that nature, ensuring an honest day's labour for a day's pay, there was attached to the conditions a provision which placed a premium upon inefficiency and anything but the giving of value for the money which was being received; by reason of the fact that after a railway employee had put in so many hours, if he could delay a train service he would obtain pay and a half for the overtime. I know as a matter of fact instances where this has been deliberately done by the employees operating trains, particularly freight trains, in the province of Ontario. Hon. members can easily see what an incentive it would be to do something of that nature. Just along that line, I do not want anyone to think that I am opposed to labour unions. On the contrary, I have always approved of labour unions. I think they have done a great deal for what is commonly called labour in this country, and as a matter of fact in Canada we are all labourers; we have no class in this Dominion who would not come under that category; undoubtedly there have been very substantial results from these organizations. In this regard there has been a slight reduction, in wages, since that time, but they have made it impossible for the deflation to take place in many other occupations, and they have made it impossible to reduce the cost of living in this country. They have maintained a condition which reacts on what is commonly called labour. The cost of transporting coal, for instance, in this Dominion from the east and from the west to the central part of the Dominion is so great that it is prohibitive, and notwithstanding the abundance of this material which we have in our own country, as a result of the attitude of those who are in control of our railways at the present time—and I refer to the regulations which were put into effect in this award,—it has been made impossible for us to bring the cost of living in Canada down to the point where it should be. The deflation has taken place in so far as agriculture is concerned, and it is almost where it was prior to the war, and consequently hon. members can easily appreciate the difficulty with which those who are engaged in that industry are confronted at this time. They have been waiting patiently to see this deflation take place elsewhere. But there are organized bodies here, which are endeavouring to prevent themselves being brought under the same conditions under which one-half of the people of this country are labouring at this time.

Now this is a matter which cannot be allowed to continue, and must be dealt with by parliament so that there may be an end to this condition of affairs. We are not going to tolerate any autocracy of this kind on the part of any organized body in this Dominion. It cannot be permitted. We must have equal rights for all the people of this Dominion, without regard to any organized body which may have considerable influence, to which governments and political parties may at times be listening with a view to securing their support. I know something of what happened during the last Dominion elec-

tion in my constituency. I had occasion to interview some parties with whom I was acquainted, and I went down to the railway station just at five o'clock when they would be quitting work, and I was told that the superintendent for the district had just departed on the five o'clock train for London, after issuing instructions to the foremen of the section-men employed on the road that they were all to be taken out of the county on the next morning to test a gravel pit in a county a few miles away; and notwithstanding the fact that there was a train coming in at five o'clock on the day of the election which could have brought these men back, they were not permitted to come on that train but had to wait for a later train when it was too late for them to vote. These are some of the things of what we had to contend with in the last federal election. I am referring to this because I knew of the circumstances. Not only at this one point, but at another point in the eastern part of the constituency the same thing took place, and these men were all ordered out to Paris to test a gravel pit there on that day in December. I am referring to this matter, because I believe that our transportation system is vital to the prosperity of Canada; that it constitutes the arteries, the veins, the very life blood of this country; that we cannot hope to succeed unless we have efficient transportation. While it may be said and argued that we have built railways much in advance of the requirements of the time, I am not going to deal with that matter; but I am going to argue that it is necessary for us to make the best of conditions as we find them and to see that we have efficiency in our transportation system. As Mr. Schwab pointed out to the people of the United States, it is necessary for us to deal with this problem. The Prime Minister (Mr. Mackenzie King) the other day, in speaking on the Address, made reference to this and the efforts which were being put forth by the Dominion Railway Board to make a success of our system of railways. I do not wish to say anything that would in any way discourage those who are carrying on that work. I realize that they have a very difficult task and require all the encouragement which we can give them. At the same time, I am going to call your attention to something which I know a good many people in Canada are not aware of, and that is a statement made at Halifax on the 17th January, 1922, by the chairman of the railway board:

When Mr. Carvell declared that the commissioners had no control over rates on government-owned railways in general and the Intercolonial in particular; that "under the Railway Act, section 5, control of government railway's operation is excluded from the commission's powers although I think it should have supervision of such railways" that, however, "if the minister or the Governor-in-Council wishes the opinion of this board as to freight rates (on government lines) I think they would have a right to call upon it." In its general inquiry as to the equalization of eastern and western freight rates, the board sat in Ottawa in the middle of February and heard W. B. Lanigan of the Canadian Pacific Railway quote the commission's judgment in the western rate case of 1914.

The railway board, who have rendered splendid service to this country in years gone by, have apparently no control over this system. We were told by the Prime Minister the other day that this matter was outside government interference or the interference of parliament. We realized that great efforts were being made to put it far beyond the reach of parliament when a bill was brought in last year in connection with what is known as the branch line railways, for construction extending over a period of three years. This parliament was asked to vote a very large sum of money under those conditions. That, however, was not a very good time to advance such a policy as that, in view of the fact that the board which had been created by my right hon. friend, when he assumed the reins of office, had a short time before that ventured into an investment or a purchase in the city of Paris which rather startled the people of this country and which was known as the purchase of the Scribe hotel for about $2,000,000. When the present government came into power, there was in control of the government system of railways a board of old, experienced railway men who had been brought up and were familiar with the conditions of this country. Mr. D. B. Hanna, who was in control, by the wonderful work which he had accomplished during the short time in which he was at the head of the government system of railways, had done a great deal towards making a success of those old decrepit roads to which Mr. Carvell refers, that were not able to do business and that had to be taken over and operated by the government in view of the advances which had been made to them. Did the Prime Minister, when he saw fit to make a change, put forth any great effort to see that a board was selected in whom the people of this country would have confidence? Did he select men of experience, men well known for their general knowledge of the affairs of Canada? I think not; I think, on the contrary, he was looking at matters from a political standpoint rather than from the interests of this Dominion. When you consider the experience of the men

4 p.m.

who constituted that board, I think you can come to no other conclusion. Sir Henry Thornton may be an outstanding man amongst the railway men of the world; I have not a word to say against him. Personally, I knew little or nothing of him. I hope he will prove to be all that it is claimed he is, and that he will make a success of the government railways; but if he does so, I can assure you that that will not be as a result of the assistance which he is going to receive from the board, but his success will be a great tribute to the personality of Sir Henry Thornton himself. Just along that line, in 1922, before the appointment was made, the Prime Minister, in a speech which he made in his own constituency, referred to this matter. He had criticized some of the men who had been on the board which had control of this in the past, and he said:

> We will give the railways a free hand, out of the control of politics. And we will not put on the board of directors any man who is connected in any way with other railways or who is connected with companies dealing with railways.

No one in such a position would be placed upon this board! In that connection I should like to inquire how it happens that James Stewart, president of the Maple Leaf Milling Company and a director of the Bank of Montreal, was placed upon this board. I do not object to Mr. Stewart, I think he is a very capable man; but his appointment was in absolute contradiction of the statement made by the Prime Minister just before the appointments were put through. I notice there was another member of the board, a man who occupied a seat in this house for about seventeen years, a man well advanced in life, a most estimable gentleman, but a man who, it seems to me, if we may judge from his participation in the debates of this House did not know very much about railway matters. I think if hon. members will consult Hansard they will find that about nine-tenths of his oratorical efforts were put forth in expounding matters connected with the fisheries of the Maritime provinces. He was well within his rights in so doing, and no doubt he felt he was discharging his duties to his constituency. But I do not think the Prime Minister in appointing that gentleman to the directorate was helping to re-establish the confidence of the country, something which was absolutely necessary at that time. I might refer to other appointees to the National Railway Board. Some of those gentlemen did not occupy very prominent positions in our public life, and did not have the complete confidence of the people among whom they lived. I think this has been brought up in the House before. One of them, Mr. Frederick G. Dawson, was connected with a rather shady transaction in the province of British Columbia. Another director was a director of the Home Bank; he also was placed on the National Railway Board to ensure efficient railway service. It has been reported in the press that the Home Bank was in financial difficulties some time before it collapsed, and that the National Railway Board deposited in the neighbourhood of one million dollars with the bank in order to enable it to make a satisfactory report to the Finance department, the deposit, having served its purpose, being withdrawn shortly afterwards. It is also claimed by some that in view of the knowledge possessed by those who withdrew this large deposit, it will be incumbent on the country to make good the deficiency by an equivalent amount before the liquidation of the bank is closed. I do not know how much evidence there is to substantiate those claims, but I do say that as a result of the exposure, Mr. Gough had to resign his membership on the board, and another appointment has since been made to fill the vacancy.

These are some of the things which have happened in connection with our National Railway system. The Prime Minister the other night referred to what had taken place in the Kent, N.B. by-election, and how his government failed to secure the support of the electors simply by reason of the efforts that he and his colleagues had exerted to keep the National Railway system free from government interference, and he declared that the directorate are to be given a free hand. Would the evidence which I have submitted indicate that the government are not interfering in the management of these railways? If this great system does succeed, I am satisfied it will be owing entirely to Sir Henry Thornton and regardless of the board.

I notice that special reference is made in the Speech to the tariff. It has already been pointed out by the right hon. leader of the opposition (Mr. Meighen) that it was an unusual, in fact an unheard-of, proceeding for specific reference to the tariff to be made in the Speech from the Throne. I have personally taken the trouble to search the records back for quite a number of years without finding a single instance where this has occurred before What is the effect of the intimation that there will be a decrease in the tariff on instruments of production? The impression to-day is that reductions are to be made in line with the platform of the party which is

now in power, and the effect of this is complete stagnation in the agricultural implement industry, a stagnation which will continue for some time. Can hon. members imagine for one moment manufacturers engaged in industries likely to be affected making large purchases of raw material to carry on their business? On the other hand, can hon. members imagine those who may be contemplating purchasing such implements doing so to-day if they think they will be able to buy them at a lower price in the near future? Instead of establishing confidence on the part of the people the government have by their action in this matter aggravated the difficulties with which our manufacturers are confronted, and I think it is due to this House and to the country that the government should state specifically, before this debate closes, their intentions in this direction, and thus remove any misapprehensions which may be entertained by those who are engaged in this industry.

At the outset of my address I remarked that the country was likely to suffer great loss by reason of the absence through illness of our right hon. friend, W. S. Fielding. Speaking on the budget last year he stated:

> There is no finality in legislation either as respects that tariff, or as respects any thing else. That which parliament can do to-day it can undo to-morrow. Everybody knows that. Nevertheless it is desirable that something like an assurance of tariff stability should be given to business men. Exceptions will occur.

A little further on he added:

> Speaking broadly, it is possible to give the country a reasonable assurance of stability of tariff. Such assurances are very desirable, for no business man would care to enter upon enterprises which may be brought into peril by frequent tariff changes.

Those were the views enunciated by that old, experienced Minister of Finance. I could duplicate those statements by quoting further from his speech on that occasion, but I do not think I need take up the time of the House by doing so. The Minister of Finance, who has occupied that office many years longer than any former Minister of Finance, had the right idea as to what disturbing elements these constant changes in the tariff would be. I remember that prior to the election of 1904, and again in 1908, the hon. gentleman put himself on record in this matter. I have here an extract from a speech which he delivered in this House in 1907 on a motion of Mr. Schaffner, that the committee reconsider item No. 445 and that the item be amended by striking out the figures 17½ per cent in the general tariff and inserting in lieu thereof the figures 10 per cent. In arguing against this reduction, which had reference to agricultural implements, Mr. Paterson, who was a member of the government at that time, expressed himself forcibly on the subject. The present Minister of Finance in that connection said:

> By a careful calculation we are advised that the drawbacks we allow are somewhat less than the disadvantage under which the mnufacturer is placed by reduction of the tariff. Even suppose for a moment that he got everything free and had a duty of 17½ per cent on the implements, would that be an extravagant duty as things go in this country? I believe this proposal of the hon. member for Souris, if adopted, would do an injustice to an established industry. My belief is that if this motion were passed we would strike a severe blow at one of the great industries of the country. I believe the International Harvester Company would find it to its interests to close up its business in Hamilton, at least so much of it as is devoted to mowers and binders, and have them made at the American branch and bring them from the United States. The factory in Hamilton is an American concern. With a moderate duty we have induced American capital to come into Canada and to establish that great industry; and after we have brought it in and established it in Canada I believe that if we were to pass this resolution the company operating that industry would find it profitable to close the Hamilton factory and bring in the goods which they make in the United States.

Now, we have upwards of $90,000,000 invested in industries of this kind in the province of Ontario alone giving employment to many thousands of workmen; and notwithstanding anything that may be said to the contrary I think it will be conceded by every hon. member who knows anything about the quality of the implements which are manufactured in the province, that our manufacturers in this Dominion turn out a class of agricultural implements equal to any turned out anywhere else in the world. There is no doubt about that; so far as efficiency in that direction is concerned, it is indicated now in the Speech from the Throne that the protection enjoyed by the manufacturers of these instruments of production is going to be lowered or removed. The duty is now 10 per cent, instead of 17 1-2 per cent. I need only call the attention of hon. gentlemen to the views expressed by the Minister of Finance, as I have already quoted them, to shew the seriousness of the situation. Is it a matter of trifling concern to us that a great industry of that kind should be put out of business in Canada to-day? If there is a possibilty of anything of that kind occurring as a result of what apparently is contemplated by the government, then I say that the government should immediately let the country know precisely what they propose to do in that regard. Has our experience in the past been such as to lead us to believe that we should be able to purchase these articles at lower prices than we are paying now? We know as a matter of fact that the reductions which have taken place in the past have not brought about

such a result; on the contrary, in proportion as we have had reductions, there has been an increase in the price. Some of my hon. friends will perhaps refer to the binder twine industry, they will point to the fact that we still have a binder twine industry here, that it is thriving all right. Have they ever considered what the effect would be if we did not have that industry in Canada? And are they sure that the binder twine industry here is not being controlled by the industries in the United States? If the factories here were all closed they might anticipate an increase in the tariff. Under present conditions they have the field to themselves, and the fact is that they control the prices of the Brantford industry. We all know that the removal of the tariff in connection with binder twine was followed immediately by a tremendous increase in prices. I am satisfied that if the agricultural implement industry of this country were put out of business you would find this repeated. In the United States to-day the agricultural implement industry is controlled by the International Harvester Company, and if we close up this industry in this country we shall find across the border the biggest combine in this line on this continent. Yet my hon. friends look forward with hope to relief from present conditions as a result of a reduction or removal of the tariff on these articles. In this connection, with particular reference to the tariff policy of hon, gentlemen opposite, I want to quote a few words that were uttered by a prominent statesman of this country in 1903. The following statement was made by the Hon. J. Israel Tarte:

> I say it openly, I say it from the bottom of my heart, that I fully expected that the Liberal party, with which I have been connected during the last ten years, would carry out the policy it was understood in 1896 they would carry out. I am weighing my words. I know what arrangements, what understanding took place between some public men. I know what took place. I do not divulge any secrets. I know what we did in the election of 1896 in Montreal. I see within the radius of my eye public men who, at our request,—

"Our request," mark you; and he was a member of the Liberal party.

> —came to the city of Montreal, went to the manufacturers, with the knowledge of the leaders of the party, and told them not only would the tariff not be disturbed, but it would be changed in the right direction when the proper time came.

This is the policy that was advocated by the great Liberal party in 1896 when they obtained the confidence of the people of this Dominion.

Mr. MEIGHEN: And in 1921 also.

Mr. SUTHERLAND: And again in 1921. Strange to say, these secret agreements and understandings were all arrived at in the great metropolis of this country, the city of Montreal.

I heard the hon. member for South York (Mr. Maclean) the other night referring to the fact that my hon. friends to my left were going to have a checker-up, a man who was going to check up on the government every night to see they were coming across and making good their promises, that they were not going to have absolute confidence in the government until the government delivered the goods. Is this not a nice condition of affairs—this process of bargain and sale between two political parties in order that the government may retain power? Is it to be the permanent policy of the once great Liberal party that it is prepared to bargain and barter with some other political party, in order that it may retain office? Are the tremendous obstacles with which we are confronted not worthy of consideration by these men above the paltry fruits of office? I do not think that matter need be dealt with further, but in so far as the tariff references are concerned it is absolutely essential that the situation shall be cleared up immediately.

I have here a statement issued by the Department of Customs and Excise for the last nine months of the past year—that is, after the close of the financial year—and I find that there was imported into this country during those nine months $130,452,285 worth of vegetable products, mainly foodstuffs and animal products which might nearly all be produced on the farms of Canada. In addition to that, there was $43,603,449 worth of vegetable products other than foodstuffs imported, or a total of $174,055,734 during the last nine months of the past year. Let me ask my hon. friends to my left and hon. members opposite if this is not a matter that demands the attention of the government and of parliament? How long can we permit such a condition of affairs to prevail? I know it will be said by some that there is a very limited market in this country, and that this is not going to provide the redress which is necessary in order to overcome the difficulties which present themselves to the people of western Canada. I appreciate to the full the difficulties with which these people are confronted, but I want to emphasize again, as I have endeavoured to do on other occasions, the need for us to realize our interdependence one upon the other. We cannot afford to divide our people into classes and groups. We must unite our forces and give a little here and a

little there in order that we may bring about the best results. We ought to have, if we do not have, the same objective in view, and that is to build up on this North American continent a great and a prosperous country.

Mr. FORKE: What is that $43,000,000 worth of vegetable products made up of other than foodstuffs?

Mr. SUTHERLAND: It does not specify in this report, but that information could be very easily ascertained from the customs and excise returns which are available. This is a monthly statement issued by the department and does not go into those details.

Mr. BROWN: Would it not have been a good idea to find out if it included rubber, for instance?

Mr. SUTHERLAND: I might go into detail as to the imports as specified in the trade returns but I do not have them here.

Mr. BROWN: If those figures include rubber they have no force in this discussion.

Mr. SUTHERLAND: Rubber is not included in foodstuffs, that is a certainty. But something that comes very near to rubber is hides. Of calf skins we imported of these 4,300,000 lbs., and exported 5,177,000 lbs. in 1923. There is no tariff on hides coming into this country. Beef hides we imported to the amount of 35,011,886 lbs., and exported 46,519,400 lbs. We are great producers of these things, and hon. gentlemen will observe the advantage it would be to have some control over the situation so as not to permit imports of these goods into our country from the United States and elsewhere under present tariff conditions. Of sheepskins we imported 2,129,000 lbs., and exported 5,538,000 lbs. Of the imports a large quantity came from the United States. Another class of imports is mutton and lamb. During the last four years we imported 17,567,067 lbs., and exported 24,054,700 lbs. Of the 17,567,067 lbs. of mutton and lamb imported, 9,052,817 lbs. came from the United States. Our imports of wool during these same four years amounted to 51,891,000 libs., and we exported 26,173,626 lbs.

Mr. LUCAS: Why are these imported from the United States if we have the raw material in Canada?

Mr. SUTHERLAND: Because we have no customs tariff on them.

Mr. BROWN: It is because somebody wants them.

Mr. LUCAS: Because they can buy them cheaper over there.

Mr. WARNER: Why do not the manufacturers use our home products if they are so good, and our manufacturers are so patriotic?

Mr. SUTHERLAND: I will tell my hon. friend why they do not. Because they can import cheaper and poorer stuff from abroad. Take the importation of meats. During the calendar year, 1922, $9,286,552 worth of meats were imported and of agricultural implements $7,732,215 worth nearly $2,000,000 worth more of meat products than of agricultural implements were imported. Is it a matter of small importance that these food products are being brought into our country as they are at this time? Is it not important and essential that some action should be taken in that regard? Of bacon, ham and fresh pork there were imported 46,000,000 lbs; in 1921, 22,000,000 lbs.—from the United States remember; in 1922, 28,000,000 lbs. and in 1923, 33,098,000 lbs. Hon. members will wonder how it is possible for imports of this kind to be coming into Canada from the United States. Hon. members, perhaps, do not realize that pork can be raised much more cheaply in the United States than in this country. In the southern states much of the pork produced there is raised practically without any care at all; the animals run out doors the year round—in fact in some of the states when hogs were selling at 5 and 5 1-2 cents per pound they were bringing about 8 cents in Canada. You can therefore easily see the effect upon the Canadian market by the importation under a very low tariff of products of that kind, in some states fattened on acorns and nuts. Evidently a great deal of that quality of pork finds its way into Canada. Is this to continue without even a protest from hon. members to my left? Government officials are engaged by the hundreds if not by the thousands in grading our hogs and enforcing all kinds of regulations. The brain of the Minister of Agriculture (Mr. Motherwell) is so congested with the need for imposing regulations upon the Canadian farmers that it is hard to tell where the thing is going to end. Many of our farmers are so absolutely discouraged with the regulations in force to-day, that rather than submit to the required restrictions they are going out of business. In spite of our efforts to improve the quality of Canadian produce we are permitting inferior stuff to enter the country under a small specific tariff. Why not impose an ad valorem tariff against meat products of that kind so that

when the price goes up the duty will also advance? Why is there such a low tariff maintained on butter and eggs, that immense quantities of these products are coming in under a duty of only 3 and 4 cents per pound and per dozen, whereas Canadian products of a like character have to meet an American tariff of 8 cents per pound and 8 cents per dozen? These are some of the inconsistencies in our present tariff. The country itself is not responsible for the disabilities from which we suffer. Canada is a land of great resources.

The Prime Minister declared that this influx from the country to the city is inevitable, and he did not hold out any hope that anything would be done to bring about a different condition of affairs. He led the House to believe that no remedy could be provided and nothing could be done. I do not agree with that position, owing to high transportation charges, and the fixation of labour prices and the hours of labour. Agriculture is at a standstill and people are becoming discouraged. I could not help thinking when referring to the names of the board of directors of the Canadian National Railways, of a remark that was made by one of them a short time ago in the city of Toronto, in asking the government of the province of Ontario to enforce regulations with regard to the hours of labour on government contracts and other industrial pursuits. He did not regard agriculture as an industry but as a sort of family affair and consequently it should not be interfered with. Produce food cheaply and he would be content.

The Prime Minister told us there is going to be retrenchment in expenditures, that ocean rates are to be controlled—there is no intimation that railway rates are to be controlled —and that a further interchange of correspondence has taken place between the Dominion government and the government of the United States in connection with the St. Lawrence waterway. I am not going to enter upon a discussion of the St. Lawrence waterway, but I will point out very briefly that this great avenue of commerce has been created by nature. The great North American continent is tributory to it, tremendous cities with millions of population, are located along the inland waters, and the St. Lawrence waterway will be deepened, sooner or later. Ocean traffic is coming up to the head of the lakes, and the great city of Chicago and other American cities, are insisting that this improvement be carried out. What are we doing? The government has been approached time and again, and we are told that a further interchange of correspondence has taken place in regard to the matter. We are informed in this House that all that is necessary just now is to keep up the correspondence with the United States with regard to the matter.

As far as retrenchment in expenditures is concerned, Mr. Speaker, that is something we will all welcome. I hope, however, that the reports which are current in this city at this time, that the employees who are being dismissed from the service are largely men who have served this country at the front during the war are not correct. We hear that a deputation has been organized to await upon the government to ask them to advance money for transportation purposes, to enable these people to go to the United States. I hope, for the sake of our reputation, that this is not correct. There is going to be retrenchment in the expenditures. That was indicated some time ago, although it is not referred to as specifically in the Speech as some other things, for instance the tariff. We were told a short time ago that the government were not going to continue the grant to assist in building highways in this Dominion. The construction of highways in the Dominion has changed very materially during the past few years. By reason of the difficulties which I have already pointed out, transportation for short hauls is being largely carried on by motor truck, rather than by the railways, and a great national highway is being constructed across the continent from the Atlantic to the Pacific, linking together the different provinces, with a view to easy intercourse between those provinces. They are not provincial highways or local highways in the sense that they were a few years ago, but they comprise one great interprovincial highway which may well come within the provision of being for the general advantage of Canada; and we are told by the government that they are going to cease giving grants for this object. We are also told the government are not going to continue the grant to agriculture under the Agricultural Instruction Act. There has been about $1,100,000 a year paid out for this purpose which, we have been informed, is not going to be continued. I would like to refer to the report in connection with this matter which was placed on the Table of the House during the last session. Some hon. members may recall that we had considerable discussion with regard to the means employed by the government to secure information in connection with this matter during the past two sessions. In this report the benefits of the Agricultural Instruction Act are referred to, and the party to whom was delegated the

duty of making the report brings in his findings and concludes as follows:

Therefore I beg leave to recommend that the Agricultural Instruction Act be renewed for a period of ten years.

After interviewing the various governments of the Dominion with regard to this matter, the so-called commissioner, Mr. Duncan Marshall, points out the advantages obtained under this aid to agriculture and recommends the renewal of the act. Now we are informed that this is not to be continued any longer and that this is one of the ways in which this retrenchment is to be effected. I would like to say to the government that there is a possibility under present conditions of curtailing expenses in some lines which may not be economy in the end, but which may be the very reverse, although it may be cutting down expenditures.

The Prime Minister, in his speech in the present debate, spoke of lack of control by the government over the appointments being made in the Civil Service, by the Civil Service Commission and attributed to this the government defeats in Halifax and Kent. He said that the people cannot understand how the government are not controlling these appointments and so attach much blame to them. The indignation feigned by the Prime Minister on that occasion, I am sure, must have struck the House as being very, very amusing in view of the fact that we had some experience along these lines during the past session when the estimates were going through. I refer to the efforts put forth by my hon. friend the Minister of Agriculture in connection with what he termed in 1902 his "special messenger," Mr. Duncan Marshall, who was in the pay of the government, and in regard to whose duties we were anxious to obtain some information. We wanted to ascertain how the appointment came to be made. The minister displayed a good deal of ingenuity in evading the provisions of the Civil Service Act in securing appointments in his department, and I am sure the people of Kent, N.B., when they realize that possibly some of their own ministers are not able to bring about the same results as the Minister of Agriculture does when he wants something, will attach more blame to them possibly than they do at the present time. The skill displayed by the hon. minister (Mr. Motherwell) on that occasion would have been amusing, were it not that this is a serious matter. I recall that in 1922 the hon. gentleman distinctly informed the House that it was quite a temporary appointment for a specific purpose, and it would be completed in the course of six months.

He also informed us that Mr. Marshall was a commissioner for a specific purpose and not the Commissioner of Agriculture. It is well known that he has been advertised throughout this Dominion as the Commissioner of Agriculture, but the Auditor General's report, which was tabled the other day, shows that he received during the year ended March 31, last, $6,000 in salary and $4,938.51 for expenses. Strange to say, in the same Auditor General's report there is some correspondence from that department in regard to the matter:

Audit Office, Ottawa, September 20, 1923.

Dear Sir:—I find on examination of the payments made under your letter of credit during the past fiscal year, on the vote for the administration of the Agricultural Instruction Act—No. 52—that Mr. Duncan Marshall was paid as Commissioner of Agriculture, $6,000, in monthly instalments of $500, to March 31, 1923.

As you are aware Mr. Marshall's appointment as a commissioner was authorised by Order in Council—P.C. 223—dated February 7, 1922.

Will you please let me know if a commission was issued to Mr. Marshall and if such commission limited the period of his services to any specific date.

Yours truly,

WM. KEARNS,
Assistant Auditor General.

The Deputy Minister, Agriculture Department,
Ottawa.

Department of Agriculture,
Ottawa, September 20, 1923.

Dear Sir:—Replying to your letter of the 20th instant, I have to advise you that no commission was issued to Mr. Marshall.

Yours very truly,

A. L. JARVIS,
Acting Deputy Minister.

It appears that Mr. Marshall was not even appointed a commissioner, although he has drawn practically $10,000 from the treasury of this country for the past fiscal year. The order in council, a copy of which I have in my hand, shows that Mr. Marshall was on the job almost as soon as the government assumed office. Under this order in council, not only was the minister authorized to have him appointed, but his appointment was to date back to January 15, 1922, almost as soon as the government assumed office. I pointed out that Mr. Duncan Marshall, supposed to be the Commissioner of Agriculture, was carrying on the work as an organiser for the Liberal party; that he had appeared in my constituency by request of Liberal officials in that constituency and had addressed a gathering of the Liberals there; and that it was intimated by the chairman that he was there by request of the Prime Minister (Mr. Mackenzie King). I will refer to the Globe of June 29, 1922:

5 p.m.

Commissioner of Agriculture addresses Oxford Grits at picnic. Woodstock, June 28.

And so on. From the local paper, I find:

June 29, 1922. Hon. Duncan Marshall, Dominion Commissioner of Agriculture, speaks at South Oxford Liberal picnic at Otterville.

Further on:

W. C. Brown, of Tillsonburg, South Oxford, representative on the Ontario Liberal executive, occupied the chair in the absence of M. G. Dean, president of the South Oxford Reform Association, he having suffered an automobile breakdown which delayed him. Mr. Brown, in a brief and eulogistic address, introduced the speaker of the day, Hon. Duncan Marshall, who was asked by Premier King to appear at the picnic on his behalf, as he himself was unable to come.

Some of us may recall that during the past session, in endeavouring to secure some information with regard to this matter, I was ruled out of order by the Chairman for referring to it, and I was also informed that the item under which the salary of this supposed commissioner would appear was that of Civil Government. I began to look up under this heading and I was unable to find the item. I went on to discuss the matter later on, and I was again called to order by the Chair. In Hansard of February 23, 1923, I find this discussion:

Mr. Spencer: Is the salary of the Commissioner of Agriculture included in this item?

Mr. Motherwell: No.

And he immediately branched off on to another subject. Again a little further on:

Mr. Spencer: The minister has not answered my question in regard to the salary of the Commissioner of Agriculture. Is that included in this item?

Mr. Motherwell: No.

Mr. Sutherland: Where does the salary paid the Commissioner of Agriculture come in? I cannot find it under the head of Civil Government.

Mr. Motherwell: It was in the previous vote that has just been passed.

Was that not clever! I attempted to discuss the matter again and I was immediately called to order. The hon. member for West York (Sir Henry Drayton), who was acting as leader of the opposition that night, stated:

Mr. Chairman, I would rather think that the hon. minister does not want to take a sharp advantage of the members of the committee.

And further on he said:

There is nothing in the estimates to show from which source the salary is paid, and I would suggest to the minister that instead of trying to take a technical advantage here he move—as I know he will— that the proper item be opened up on which this salary can be discussed.

A little further on:

Mr. Motherwell: But I want to assure the committee that I did not try to "put anything over" when they called out "carried". I am not going to stand in the way of discussing any vote.

Sir Henry Drayton: I was sure the Minister would say that.

Quite natural. The Chairman endeavoured to have the item passed. I also occupied a few minutes in discussing this item. "Item agreed to" was called:

Sir Henry Drayton: I understood that the minister was going to reopen the previous item.

The Chairman: It cannot be reopened without the unanimous consent of the committee.

Sir Henry Drayton: I understood the minister was going to ask for that consent.

Mr. Motherwell: No, no.

Sir Henry Drayton: Then the appeal has certainly gone unheeded. In fact, it has been refused.

Mr. Motherwell: I responded for myself. I cannot speak for the committee.

Sir Henry Drayton: Perhaps the minister himself will make the motion.

Mr. Motherwell: Oh, no, I will not make it.

And so on.

A little further on, after denying that efforts were being made to smuggle through the committee items that were worthy of some discussion, the minister said:

We may not come to Civil Government again for several days. I only want to reiterate what the Minister of Finance (Mr. Fielding) has said, namely, that the last thing in our minds, as was suggested by some hon. gentleman, was a desire to smuggle something through. What have we to cover up?

Mr. Sutherland: That is what we would like to know.

And so the matter ended for the time being. Now, Sir, I have produced evidence that Mr. Duncan Marshall was supposed to be in the employ of the government as a commissioner when in fact he was not a commissioner at all. We were told that he was employed to do a certain thing. There is the report submitted to parliament indicating that Mr. Duncan Marshall recommended the continuance of assistance under the Agricultural Act, and that the minister and the government had paid no attention to the recommendation. Consequently we can come to no other conclusion than that the government were not sincere in claiming that Mr. Duncan Marshall was appointed for this purpose. If retrenchment is to take place, I would advise the government to see to it that their official organizer is in the future paid out of their own pockets and not out of the treasury. It is an unheard of condition of affairs and will destroy any confidence the people in this country may have in the government.

I have touched upon a few subjects that I believe are worthy of consideration, the most important being the need for national unity and the necessity for the government to immediately deal with matters of pressing concern. In this connection I would recommend that the government remove the penalty which is now placed upon enterprise and energy, be-

cause that is exactly the result of the legislation which was passed last session. The hon. member for St. Lawrence-St. George (Mr. Marler) yesterday referred to two measures that were put through this House last session by the government of which he is a supporter, measures which brought about exactly that condition of affairs. We all know that this is generally acknowledged to be the case throughout the country, and the number of exemptions by orders in council which have been issued by the government sufficiently indicates that the government themselves realize this to be so. This matter should again engage the attention of the administration.

There is also the premium that is being placed upon inefficiency and lack of energy by the regulations and hours of labour in certain occupations, particularly in the Civil Service. I think every hon. member realizes the inconvenience we are subjected to during each session through the government offices opening so late in the mornings,—6½ hours constituting a day's work for any one in the employ of the government. What we require in this country is an honest day's work for an honest day's pay. We must have value for the money that is paid out; and there is no reason why those who are engaged in the Civil Service should work only 6½ hours—in fact during a considerable portion of the year it is only about 5½ hours—while other people are labouring from eight to twelve hours a day. I have in the past pointed out that I thought it would be to the advantage of the country generally if the seat of government could be located at some place where our ministers would be free from the influence of those in the service. This is a matter that should be dealt with immediately, to see that the hours of labour are put on a parity with those obtaining in other occupations.

Mr. Speaker, I would point out that our undeveloped resources are so great that we must, if need be, offer some better inducements to attract capital. I noticed in a report of an address delivered recently by Mr. Stephen Leacock, Professor of Economics at McGill University, that he pointed out that by reason of our present policy capital was alarmed and in hiding, waiting for something to do and that it had been frightened into that concealment by the uncertainty of the present situation. Is not that a startling statement from the lips of such an economic authority as Mr. Leacock? If this is the view entertained by a man in his position, are we not right in assuming that there is grave danger confronting the country to-day?

[Mr. Sutherland.]

Many years ago I read an address by the late Principal Grant of Queen's, delivered to the students of his university, and it made a strong impression upon my mind. After pointing out the duty that students owed to themselves and to the state. he said:

> Think what a home we have. Every province is fair to see. Our sons and daughters are proud of their natal soil. Then why should not we, taken together, inspire confidence and loyalty in souls less capable of patriotic emotion? I have sat on blocks of coal in the Pictou mines, I have wandered through the glades of Cape Breton and around Cape North, I have driven for a hundred miles beneath apple blossoms in the Cornwallis and Annapolis valleys, I have seen the splendour of our western mountains, I have toiled through the passes beneath the giant cedars and Douglas pine of the Pacific slope, which hid both sun and sky at noonday, and I say that in all the four thousand miles which extend between there is everything that man can desire and a promise of a mighty future. If we cannot make a country with such material, it is because we are not true to ourselves; and if we are not true to ourselves, be sure our sin will find us out.

With a firm conviction that it is necessary in order to establish confidence on the part of our people and to encourage the development of the great resources which we have, I beg leave to move, seconded by the hon. member for Peel (Mr. Charters):

> That the following words be added to the Address: We respectfully submit to your Excellency that this House views with regret the depression existing in agriculture and, as well, the all too serious exodus from the country generally, and expresses its disappointment that the Speech from the Throne, while embodying a distinct threat to an important section of industry, contains no promise of legislation which will tend to retain and enlarge the home market for our own Canadian producers; such legislation being manifestly necessary in view of the increased tariff barriers of other countries.

Mr. J. J. HUGHES (King's, P. E.I.): I have listened with what attention I could give to the lengthy speech delivered by the hon. member for South Oxford (Mr. Sutherland), and as I proceed I may perhaps have a few references to make to it. In the meantime I will take up another matter. Some few months ago an organized propaganda was started in the name of economy. Now economy is a very great virtue, whether public or private; but those who advocate it should try to be consistent, should try to have a reasonable amount of common sense in the efforts they put forward to achieve that great end. I find that this organized effort was not very old before our good Conservative friends, and particularly our good Conservative newspapers in the country, took charge of it and endeavoured to make it appear that the present government was reckless and extravagant in the public expenditures, and that therefore they should be removed from office at the earliest possible date and a government much

more economical and much better qualified to manage the affairs of the country be put in their place. That this view of the matter is correct is shown by a little clipping from the Toronto Mail and Empire of a few days ago which reads:

> Newspapers all over the country are giving vent to the people's dissatisfaction with the ruling politicians. In the protest against the riot of extravagance, Liberal newspapers are joining. And what Liberal newspaper of any influence is coming to the help of the government?

Well, Mr. Speaker, this propaganda to blame the present government for being extravagant and inefficient, but particularly for being extravagant, and the effort to make it appear that their predecessors were very economical, make it necessary for those of us who know a little about recent political history to endeavour to place the facts upon record so that the people may not be misled, but may be fairly able to judge between the two political parties. And that there may be no mistake about the statements I make I will go to the public records themselves. I had the privilege of sitting in this House from 1900 to 1908, and during those years Sir Robert Borden led the opposition; and I think that at every session of parliament, at all events at almost every one, he brought forward a resolution condemning the then government for extravagance in public expenditures, and stating that the affairs of the country could be carried on with much less. In the year 1911, during the campaign, Sir Robert Borden and Mr., now Judge, Hazen of New Brunswick, came to Prince Edward Island and held several public meetings, some of them in the open air. These meetings were well attended, and Sir Robert Borden was very explicit in the statement of what he would do if the party which he led were entrusted with the administration of public affairs. He stated positively on his word of honour that he would carry on the public affairs with at least $10,000,000 less, and without any impairment or injury to the public service. Well, the Conservative party were returned to power at that election, and we have now the record of their achievements. The Conservatives would not be responsible for the expenditures of the year 1912 because they came into power in the autumn of the year 1911.

I will therefore charge that to the Liberals. The expendiutre on consolidated fund account for the year 1912 was $98,000,000; I shall give only the round figures. For the year 1913, when according to Sir Robert Borden's distinct promise to the people of this country it should have been $10,000,000 less, it was $112,000,000 or $14,000,000 more. In 1914 it was $127,000,000, another increase of $15,000,000 over the previous year. In the year 1915 it was $135,000,000. Some people might say that the war was on then, but these expenditures had no relation to the war, the war expenditures were all charged to another account. In 1916 it was $130,000,000; 1917, $148,000,000; 1918, $178,00,000; 1919, $232,000,000; 1920, $303,000,000; 1921, $361,000,000. That was the last year for which the Conservative party was responsible for the expenditure. That was the year that the Conservative party was led by the right hon. gentleman (Mr. Meighen) who now leads the opposition. For the year 1922 the Liberals were wholly responsible and the expenditure that year for the same identical services was $347,000,000 or a reduction of $14,000,000. For the year 1923 the expenditure on the very same services was $332,000,000 or a reduction of $15,000,000. For the two years there was a reduction of $29,000,000, and if reduction is carried on at the same rate this year, there will be in three years under the present administration a saving of $40,000,000 or $50,000,000 on consolidated fund account. Yet in the face of that record the newspapers supporting the Conservative party are crying out for a change of government and charging the present administration with reckless and riotous extravagance.

In order to show the misrepresentation that the Conservative newspapers are carrying on throughout the country at the present time regardless altogether of truth I will quote just a sentence or two from a paper published in my own province called the Charlottetown Guardian. In an editorial referring to the extravagance of the present government on March 4 it says:

> Relations between the King government and the defunct Home Bank have long been very close. Mr. Gough, a high official of the bank, was appointed to the Board of National Railway Directors at a salary of $10,000.

Every man in this country knows that the salaries of the members of the National Railways board is $2,000 a year. Yet that is the kind of propaganda that is being spread over the country by the Conservative newspapers and particularly by the paper to which I have referred. They make statements which they call facts and which are entirely foundationless and upon these alleged facts they base an argument against the government. They quote figures, multiply them by five as in the present instance, or divide them by five just as it suits their purpose, and on these false and misleading premises base an argument against the present administration.

That is the kind of propaganda that is being carried on by them throughout the country.

We might think that although the government that came into power in 1911 and went out of office in 1921 showed great extravagance in the civil administration of the country, they are entitled to some credit for carrying on the war and for the efforts they made in that direction. It was in that respect, Mr. Speaker, that the flood gates of extravagance were opened wide. I wish I could call it by some milder term than extravagance. No effort whatever was made to control the public expenditure in the years when the war was on. There is no doubt but that all the countries engaged in the war, Canada not excepted, had to pay extreme prices for anything purchased during those years, but what I complain of is that no effort was made to get anything like value for the money expended. On the contrary, it appears that an organized effort was made to waste all the money that could be wasted, and to make arrangements whereby the friends of the government and of the party in power could misappropriate tens and hundreds of millions. I would be safe in saying that if anything like value had been obtained for the money expended, our war debt, instead of being two billions, as it is at present, would not have been much over one billion dollars. Last year standing in this House I referred to an incident to show the premeditated efforts that were made to waste the public money. I referred to the drugs that were purchased through the wholesale house of Bauer and Black, purchased through a middleman and transferred to the government at several hundred per cent profit. The agent of Bauer and Black came before the Public Accounts committee and under oath stated that he had tried to sell these goods direct to the government, and that he would be quite willing to sell them to the government at the price charged to private individuals.

I am going to put a few other statements on record this afternoon, and I shall give no statement that was not sworn to before the Public Accounts committee. I am going to give the names of the parties who testified, in most cases at all events. I will follow up the drug business. A little later it was stated before the committee under oath that a woman who kept a small drug store in the province of Quebec, who was handling at most in that store only $6,000 or $7,000 worth of drugs a year, got contracts for supplying the army with drugs amounting to hundreds of thousands of dollars. That was Madame Plamondon. Mr. Watters an experienced druggist in the city of Ottawa, and now mayor of this city, came before the Public Accounts committee, examined the accounts of this woman, and stated that the prices charged were from 300 to 1,000 per cent too high. That was carried on for a considerable time. That woman happened to be the sister of the then Speaker of the House, Mr. Sevigny.

Early in the war a member of parliament was given a commission and a large sum of money to go to Nova Scotia to buy horses for the army. The horses purchased were no good whatever. The Public Accounts committee endeavoured to investigate the matter. They could not get the records from the department, could not get the books, could not get the vouchers, could not get the accounts; and the department deliberately stated that the accounts had been sent overseas. Why they would be needed overseas the Lord only knows. The only thing left to the committee was to get the names of the people who sold the horses and subpoena them to Ottawa, and that was done. These men came before the committee, and on their oath stated that they sold horses for army purposes, sold horses to the commissioners who went down to Nova Scotia to buy them, that they intended to shoot that fall, because they were no good. Some of these horses were too old and had been turned down at the time of the South African war. One man swore that he got an old horse in trade for two ducks and a drake. These horses were sold to the army officers for $60 or $70. Another man swore that he naturally expected fairly good horses would be required for army purposes, and he took a fairly good horse to the place where the animals were being examined, and when he saw the kind of horses that were being sold and bought there, he put that particular horse in the barn, and telephoned his son to bring up the old mare. Accordingly the old mare was brought up and sold to the representatives of the government. Many of these horses died on the way to Quebec. Some of them were delivered at Valcartier, but lived only a few days and found their way to the glue factory in Quebec. What was done with the gentleman who was responsible for those transactions, a member of this House? Sir Robert Borden, at or about that time leading the government, stated that if he discovered any man deliberately defrauding the treasury the doors of the penitentiary would be opened for him. This particular man was asked to retire from parliament. Was he sent to the penitentiary? He was not. What punishment was meted out to him? He was sent to the immigration office in the city of Chicago at a good salary. There was a man

named Allison who had very close relations with the then Minister of Militia and Defence. The manager of the New York and Ottawa railway, called the New York Central, with an office still in this city, came before the Public Accounts committee and on his oath stated that he had an order from the Militia department instructing him to place not only a private car but a private train at Mr. Allison's disposal any time he would ask for it and charge the expense to the public accounts. And when Mr. Allison, who then lived at Morrisburg or in that vicinity, wished to spend an evening in Ottawa playing bridge or playing poker, he would order a special train for himself and his friends to return to Morrisburg that night, and according to the sworn statement of the manager of the railway that expense was charged to the government.

There is another thing I wish to mention in this connection. Mr. Drew, the collector of customs at the port of Morrisburg, came before the Public Accounts committee and on his oath stated that he was directed by the department of which he was an official to admit anything and everything that came in Mr. Allison's name from the United States into Canada free without examination, and without paying any customs duty. To his own knowledge boatloads and scow loads of goods came across the river—packages, cases, barrels, and crates would be piled up on the river shore on the Canadian side until a train load would be ready, when the train would come down from Morrisburg and take the goods away into the interior of the country. Our Conservative and protectionist friends are very much exercised to-day lest some goods may find their way from the United States into this country at a small customs duty. At the time I speak of they allowed their friends to import goods into Canada without paying any customs duty at all. When Mr. Drew was giving his testimony before the Public Accounts committee he was asked to produce his authority for acting in the manner described. He said it was a letter he had received from the department giving him the instructions. He was asked to produce the letter. He then said that the Commissioner of Customs of that day, Mr. John McDougald, had sent his son a little while before that to Morrisburg and had asked him for the letter and he had given it to him. Mr. McDougald was subpoenaed before the Public Accounts committee and asked to produce the letter, but he stated it had been destroyed. He was then asked to produce the copy of the letter, but said the department did not keep a copy of it. Finally he was asked who instructed him to write the letter, and did not seem disposed to answer the question in fact he tried to refuse to answer it. He hesitated and asked the chairman if he was obliged to answer the question. Finally he stated that the minister himself dictated the letter.

Now, Sir, that is the condition of affairs that prevailed at that time. It is not pleasant for me to recall those things and I would not do it if I did not see that an effort is now being made to create a false impression in the country, and to spread the idea abroad that the men responsible for such transactions or their impenitent assigns, are the men who should be placed in charge of the public affairs of Canada. I am not aware that those men ever did penance for their crimes. They have certainly expressed no sorrow for them, and until they do I think great care should be exercised to see that they do not get another opportutnity to repeat that kind of conduct.

My right hon. friend the leader of the opposition (Mr. Meighen) and his associates are very meticulous now in regard to the honour of public men. They claim that public men should be above suspicion, and that the least speck of dishonour should not attach to them. At that time, in the days I have mentioned, they were ready to swallow a camel, yea they would swallow a donkey, ears and all. They have so changed now that I imagine they would have difficulty in swallowing an oyster.

My right hon. friend the leader of the opposition came to the Maritime provinces last summer and visited Prince Edward Island as well as the other provinces by the sea. He made a speech in Victoria Park, Prince Edward Island to which I am going to refer, but I am sorry he is not in the House at the present moment, because I think this would be interesting to him. His speech was reported in the Charlottetown Guardian, the paper from which I have just quoted, a strong supporter of the Conservative party, having supported them right along. The right hon. gentleman commenced his speech by saying:

> My idea was to try to get firsthand knowledge of this province and the other maritimes—something of the knowledge that I think I have of the other provinces of Canada.

I will have occasion to show, I think, that he has very little knowledge regarding conditions in Prince Edward Island. Whether he has any knowledge of the other Maritime provinces I do not know. The report of his speech continues as follows—

> Mr. Meighen referred to the injustice whereby two or three provinces secure special pre-war railway rates, making the commission—

That is the Railway Commission—

—incapable of reducing other rates. This was done to catch progressive votes in the West, and meant a reduction in profits of $17,000,000, which prevented a reduction of rates in the Maritime provinces, and the members supporting the government for this province—

Referring to Prince Edward Island—

—everyone of them voted for it. They joined with Mr. King in selling out the Maritime provinces.

That was the appeal of the leader of a great political party. That was the statement made by a man that wants to see no sectionalism in this country, who wants to see Canada become a great nation. We find him going down into the Maritime provinces and making an appeal of that kind, stating that the members of this House who supported the reduction that had been made on grain and flour last year had sold out the Maritime provinces and had given to the western men something which they should not have received.

First and foremost I want to explain to the people who may read my speech what that reduction meant. Away back in 1897 the Canadian Pacific Railway made application to the government for a sum of money to enable them to build what was known as the Crowsnest Pass railway. The government at that time agreed to the proposition, and in consideration of the sum of money that was given to the company to enable them to construct that line of railway, the company gave to the federal government a large area of coal-bearing lands which they had previously received from the British Columbia government. They also made a reduction in the freight rates both east and west, which was of considerable advantage to the farmers of the prairie provinces at that time. The provinces were struggling then and were finding conditions difficult, and these reductions that had been made on the Canadian Pacific Railway rates were of very material advantage to them. As the years went on the Canadian Pacific reduced its rates and finally brought them, as I understand it aright, even below the rates in the arrangement made with the government. When the war came on the Canadian Pacific Railway and the other railways of Canada found it necessary to increase their rates, and applied to the government for permission to do so, and the government of the day gave them that permission, and probably it was all right. The increase of the rates was much larger than the former rate. In order to enable them to do that the government had to suspend the operations of the Crowsnest Pass agreement. Last year that suspension and all these increases would automatically end, and the question was whether the suspension would be extended for another year, or whether the Crownest Pass agreement should be allowed to become effective. The arrangement made—and the Progressive party and the members from the western provinces agreed to it—was that if they got a reduction on grain and flour coming east, they would be willing to accept it and allow the suspension on the other articles enumerated on the list to remain in effect for another year. The West was working under adverse conditions. We had evidences of that from the members representing that part of the country, we knew it from the public records and we knew it from the public press. They were greatly in need of any consideration that could be extended to them and this was not a great deal. I voted for that, and I would stand upon any platform in the Dominion of Canada and justify my vote. It was for doing that that the right hon. the leader of the opposition came down to Prince Edward Island, denounced me and other members of that province and tried to raise sectional issues. Whether that is the man to be leader of a great party I have my doubts.

I want to call the attention of the House and of the public, so far as I can, to another statement which he made. The right hon. member admitted that he came to the province without having any knowledge of it, and I think he left it without having a knowledge of conditions there. The report of his speech says:

Mr. Meighen referred to the injustice whereby two or three provinces secure special pre-war railway rates, making the commission incapable of reducing other rates.

He was referring to the Railway Commission. That was simply a misstatement of fact. If he knew it to be a misstatement of fact, the matter was serious. If he did not know that, he left the Maritime provinces without knowing conditions, because as a matter of fact, the Railway Commission, last year, at the instance of the members representing Prince Edward Island—I had the privilege of presenting the argument before the commision—very considerably reduced the railway freight rates as affecting that province. On coal transported from the mines in Nova Scotia and New Brunswick to Prince Edward Island, we got a reduction of from forty to fifty cents a ton. We got a considerable reduction on grain, hay, straw, potatoes, lumber, lime, gypsum and several other articles of that kind. We got a reduction of about ten per cent on package goods. We got a considerable reduction on the internal freight, that is freight

originating and ending in Prince Edward Island. We import about 70,000 tons of coal into Prince Edward Island each year and more than half of that comes by rail. If we suppose, say, half of it comes by rail, we got a reduction of forty to fifty cents a ton on between thirty and forty thousand tons of coal, and one can easily estimate what that will amount to. I am satisfied the reductions we were able to secure through the instrumentality of the Railway Commission, because we made out a case, amount to something like $30,000 a year for Prince Edward Island. And the leader of the opposition (Mr. Meighen) went into that province and apparently knew nothing about the matter. But he did make an effort to raise sectional issues and to misrepresent the members from that province for doing nothing but their duty, at least, for doing their duty as they saw it.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. HUGHES: Mr. Speaker, when the House rose at six o'clock I was referring to the very considerable reductions that had been made by the present government in the consolidated revenue fund account. Since they came into office they have also reduced the personnel of the Civil Service by 3,952 employees. These measures of retrenchment were undertaken long before the economy cry was raised throughout the country.

In the early winter we had two by-elections in the Maritime provinces, during the course of which a great deal was said by our Conservative friends, particularly by the new—and I suppose distinguished—leader of the Tory party in that section of the Dominion, the hon. member for St. John City (Mr. Baxter). The changes were rung on the loss of the rights of the Maritime provinces. Now, I would ask that gentleman, or any other hon. member, what rights had the Maritime provinces that this government have taken away? And what wrongs, if any, did the Liberal party inflict upon the Maritime provinces either in 1896 or in 1921 upon their accession to office? If any wrong has been inflicted, I should like to get a record of it. Now, I ask my hon. friends on the opposite side who made such wild statements in the Maritime provinces, what rights have we lost down there that they would give us if they came into office? This is a pertinent question.

On the other hand, I propose to give them a short list of the wrongs that were inflicted upon the Maritime provinces by the Conservative party, and I am going to speak more particularly of Prince Edward Island, because I know more about that province than I do of Nova Scotia and New Brunswick. When we entered confederation we had a customs duty of 12 per cent, which gave us a sufficient revenue for all our purposes, and we had practically no debt. We had some small industries at the crossroads—blacksmiths' shops, carriage and farm implement factories, even some cloth factories; we made these things for our own use and were a happy and a fairly contented people, and our population was steadily increasing. To-day it is difficult to get a blacksmith at the crossroads to shoe a horse. In a word, none of these small factories are now in existence. The customs duties have been increased to such an extent that the things which we used to manufacture for ourselves are now made in western Quebec and throughout Ontario.

We in Prince Edward Island have to find a market for our products in the open world. New England and old England have been our best markets. We are obliged to sell many of our products in the United States, regardless of the Fordney or any other tariff, simply because we have no other place to sell them. For instance, we have to sell our potatoes there. Now, the potato crop to us is very much what the wheat crop is to the prairie provinces. We must raise potatoes because our soil and climate are well adapted for them, and the potato crop fits in well with the rotation of crops. You cannot carry on dairying successfully without growing vegetables, and we find a market for our potatoes in the southern states. When the Fordney tariff went into operation it placed us at a disadvantage of 30 cents a bushel on our potatoes. We could not sell the ordinary potatoes there any longer and our farmers were obliged to raise a superior quality of this product. We raise the potatoes for seed purposes. We have got into the markets of the southern United States and also of Cuba, and in these warm countries they have to change their seed every two years. As a matter of fact, they get better results if they change the seed every year Now, it has been found by experience that the potatoes that come from Prince Edward Island give better results than those obtained from any other part of the North American continent. We get a price for that article that enables us to raise it at some profit and sell it in the states of the American Union in spite of the Ford-

ney tariff. We have to sell our butter and eggs and our cheese and bacon largely in England. We export some eggs to the United States. We can sell nothing in the provinces of Canada except a few potatoes or a little hay or oats in Nova Scotia, and we send some of these products to Newfoundland. But we are shut out from the markets of Quebec and Ontario, no matter what the transportation might be, simply for the reason that the farmers in these provinces can supply and more than supply the cities around them. Not only do they do that, but they compete with us in the small markets of Halifax, Sydney and St. John. We sell a few eggs in Montreal, but only a few. We are bound to cultivate the markets of the world wherever we can find them, and we are forced to buy our manufactured products in Quebec and Ontario at a price which is enhanced by customs duties. That is the condition of things; and these high customs duties were placed against us by the Conservatives in this country. That is one of the disadvantages under which they put us. But there is a greater one for which they are wholly responsible.

For years after the so-called National Policy had been put into force we were told that it was only an instrument to secure a reciprocal trade arrangement with the United States. The reciprocity agreement of 1854 had been abolished in 1866 and the condition was very serious in the Maritime provinces. But the people in that part of the country were willing to put up with a good deal of temporary inconvenience so long as they thought it would lead to a renewal of the reciprocal trade arrangement which we had had with the United States some time before. However, things remained in that state for years and hope was deferred until finally in 1911 the Liberal government then in office succeeded in making a trade arrangement with the United States which was far better than anything we had ever expected. But the Conservative party in this House and in the country prevented the Canadian people from accepting the offer. No greater crime, no greater injustice could have been perpetrated, no greater disadvantage could have been placed upon the Maritime provinces. And they do not appear to be sorry for it. I heard the hon. member for South Oxford (Mr. Sutherland) declare to-day that he was pleased that that arrangement with the United States had never been completed. It was better for the country, he said,—and in this he only repeats what other Conservatives have said hundreds of times—because the United States later on would in all probability have abrogated or suspended that agreement as soon as they should have discovered that it was advantageous to Canada. How does he know that? That is only a surmise.

Mr. HOCKEN: He knows it from past experience.

Mr. HUGHES: We will examine that point. That was immediately after the civil war had been concluded in the United States. Now, what attitude did official Great Britain take in that great crisis? I am sorry to say, as a Britisher, that the official attitude of Great Britain was directly opposed to the northern states regardless of political parties. Great Britain had shown no sympathy whatever with the northern states in that trying time.

Mr. McMASTER: The upper classes showed none.

Mr. HUGHES: And the political classes, too.

Mr. HOCKEN: What about John Bright?

Mr. HUGHES: I will mention him in a moment. Disraeli, Gladstone, Palmerston, Russell, Roebuck and numbers of other men whose names I cannot recall went out of their way to show their lack of friendship for the United States. Privateers were built and fitted out in Great Britain and they went to sea and preyed upon the commerce of the northern states, prolonging the struggle. Those ships never saw an American port. They were built in Great Britain, they were fitted out in Great Britain, and they were manned in Great Britain; and this, notwithstanding that Mr. Adams, the American Ambassador, had informed the government time and again of what was going on. The common people of Great Britain were suffering great privations, particularly in the cotton industry in Lancashire and Manchester owing to the stoppage of cotton imports from the United States. But, to their eternal credit, be it said that the working people of Manchester, notwithstanding their hardships, sent an enormous petition to President Lincoln wishing him godspeed in the great struggle he was making for humanity and civilization. They told him that they were willing to endure those privations; they were making no trouble, because they knew that he was striving to do what was right. That incident perhaps did more than anything else to prevent an open break between Great Britain and the United States. Lincoln was touched to the heart by it and he sent a most cordial reply to those people, because

he was one of the people himself and he knew that their heart was in the right place. Lord Granville, Cobden and Bright were outstanding figures who took the other side, because they were men and they understood the struggle that was going on. They understood what it meant to humanity and to civilization, and when the war was over it was then, smarting under those conditions, that the United States denounced the reciprocity treaty, and we have no right whatever to assume that they would have taken similar action provided we had entered into an agreement they had made in good faith with us in 1911. That agreement was proposed by the Republican party in the United States, the party of high protection. They would not have repealed it, in all human probability, and the Democrats, the party of low duties or moderate protection, if they had come into office very likely would not have denounced it; so when our friends opposite say that it was a good thing we did not enter into that arrangement because it likely would have been denounced they have no justification for suggesting such a thing. It is only an excuse, and a weak excuse, for the crime they committed against the Canadian people on that occasion.

Mr. MOTHERWELL: That's putting it over the plate.

Mr. HUGHES: I might say a few words on the question of the tariff. The tariff is a perennial question in this country. It has been discussed in this House for many years and I suppose it will be discussed here for many years to come. Our Conservative friends take what appears to me to be a very peculiar position in regard to this matter, but perhaps they have their reasons for doing so. A short time ago I read in the Montreal Gazette an account of a speech delivered before the Conservative Business Men's Association in Toronto by Senator Gideon D. Robertson. Senator Robertson, having been a member of the late administration, being now a senator of Canada, and speaking before the Conservative Business Men's Association, and having been warmly commended the next day by the Montreal Gazette for his speech, I presume delivered on that occasion what might be considered almost an official utterance. In passing, I think the Montreal Gazette is the sanest and most respectable English-speaking protectionist newspaper in Canada.

Mr. McMASTER: Your forget the celebrated weekly.

Mr. HUGHES: I disagree entirely with the Gazette's policy but it presents its arguments fairly; and I fully believe this, that if you see in the Montreal Gazette what is alleged to be a statement of fact you can depend upon that statement. If it quotes figures, you can depend on them; but I do not agree with its policy, and I am not impressed with its arguments. Senator Robertson in that speech made this statement:

> The term "protection" may properly be applied to a variety of national activities. For example, the British navy is more of a protection to British commerce than the tariff.

I do not know what that means. Of course, I do not lay claim to any great amount of intelligence, but I suppose I have the intelligence of the man on the street. Now if the senator means that the British navy protects commerce from pirates on the high seas, I can understand that that would be a protection to commerce; but there are no pirates on the high seas now, and the navies of all the countries of the civilized world would be engaged in the same business if that is what he meant. They would keep the ocean lanes free from pirates. If he meant that the British navy imposes British goods upon the weaker nations or upon the Crown colonies at the cannon's mouth, I think he is mistaken. Great Britain herself and, so far as I know, the Crown colonies are open to the commerce of the world. There is no advantage that the British navy gives to British commerce that it does not give equally to the commerce of all the other countries of the world. It protects them all. However, that is not a very serious matter. He goes on to say:

> The customs tariff serves two specific purposes. It protects home industries and the workmen employed therein, and affords a substantial part of the country's revenue.

Then he went on to make the statement, and he proved it, that Great Britain raises by her customs tariff $13.87 per head of her population, while the United States with its higher tariff, the tariff that he and other gentlemen of the Conservative party would have us copy in this country, gets a revenue of only $2.85 per head of the population—and he says that we should adopt a tariff of that kind in order to get revenue. He proves the thing that free traders have always maintained, that if you put the tariff high enough you will get no revenue at all. But the people will pay just the same. All through the senator's speech it is implied that if we adopt a tariff similar to that of the United States, we will get a larger revenue, and we can consequently do away with other forms of taxation. Of course, the senator contradicts him-

self, but his arguments are just as sound and just as logical as any arguments I have ever heard from a protectionist.

When my hon. friend from South Oxford (Mr. Sutherland) was speaking this afternoon, he referred to the importation of agricultural products and other things that we were bringing in from the United States, and when someone asked him why we were bringing these things in he replied, "Because they are cheaper there." He and others just ring the changes; they declare that if we adopt a tariff policy similar to that of the United States it will increase the price of agricultural products in this country, that is, it will raise the price to the farmer, while in the United States it appears to depress the price the farmer receives for his products. Why does the remedy act so differently just south of the international boundary line, a line that is almost invisible in some places? I cannot understand these things. I have not the intelligence of these men, I suppose; it is too intricate a question. Another thing I cannot understand is this: If the manufacturers of Canada cannot hold the home market with a moderate tariff, how in the name of common sense are they going to manufacture goods, send them into the markets of the world, meet competition there, and perhaps encounter customs duties in other countries? And yet they say they can do that. Sitting down and talking with some of my Conservative friends I have asked how that could be done and I never got an answer. I can see how it could be done in a small way, that is provided the customs duty, or the tariff, was put high enough in Canada to enable the manufacturer to have a large profit upon the goods he might sell at home and enable him to sell below cost what he might send abroad. That could be done, but would it be an advantage to Canadians? My impression is that it would be an advantage to the other fellow, the man we call the foreigner. He would be getting goods cheaper than we would be getting them, he would be getting goods below cost. My hon. friend the member for St. Lawrence-St. George (Mr. Marler) spoke yesterday afternoon. I think he is a sincere protectionist, an honest protectionist. He was anxious to see a tariff in this country which he called "the cost of living tariff" and he was stating that when we would send our wheat, for instance to the Old Country, we would not load the ships with wheat entirely, but would load them partly with manufactured goods.

I think I will read the paragraph in question, it will serve to make my point clearer. In reply to the hon. member for Springfield (Mr. Hoey) the hon. member for St. Lawrence-St. George (Mr. Marler) said:

> Would my hon. friend expect any country to take nothing but wheat and flour from us? Would he expect a ship to be loaded with wheat and flour only? No ship will go out with such a cargo.

Then the hon. member for Springfield asked:

> Why not?

The hon. member for St. Lawrence-St. George said in reply:

> To create a general trade we have to carry various products to other countries.

Then my hon. friend the member for Swift Current (Mr. Lewis) interpolated a question. He asked:

> What will it bring back in return?

That was a crucial question. The hon. member for St. Lawrence-St. George felt that, and he did the best he could under the circumstances. He said:

> That is precisely the point I make with my hon. friend from Swift Current. It creates trade; but our customers overseas will not say to us that they want only our wheat and flour. It is necessary and essential for trade routes to be made up by exporting other commodities besides wheat and flour in order to create in the foreign port the needed market for our wheat and flour, because the more trade we have with any country the more demand there is for our particular product. Therefore I say we should export manufactured goods also with our wheat and flour.

Again I come back and ask, how can we export manufactured goods to Great Britain if we cannot hold the home market with moderate protection? The thing is a mathematical absurdity. No tyro in economics, in my judgment, would advocate such a policy. I think the manufacturers of Canada, and their friends, have dwelt upon that phase of the question so long that they cannot see any other side to the issue; they have come to think that they are stating sound doctrine. Was it not George III—

Mr. McMASTER: George IV.

Mr. HUGHES: Who thought he won the battle of Waterloo?

Mr. McMASTER: Yes, George IV.

Mr. HUGHES: This monarch thought he commanded a division at the battle of Waterloo, and told the story so often that he finally came to believe it; and when somebody told him that they did not think he was at the battle he was very much offended. Hon. members opposite, and the protectionists generally, make the statement, and they repeat it, that a tariff does not increase the price of goods, that the manufacturers will not put up the price of their products, that home com-

petition will keep down the prices. I have never heard one of these gentlemen give a concrete case; they speak in generalities; they are strong in platitudes and generalities, but weak, in my judgment, in concrete cases. But I have an authority on this question that I think my hon. friends opposite will accept, an authority I think even the ex-Minister of Finance (Sir Henry Drayton) will not question. It is no less a personage than the present leader of the opposition.

On 18th January 1911, the right hon. gentleman who now leads the opposition, and who was an active member of the opposition of those days, moved this resolution in the House:

That in the opinion of this House, a substantial reduction in the import duties on agricultural implements is now due the agriculturists of Canada, and—

Some hon. MEMBERS: Hear, hear.

Mr. HUGHES: He added this—I want to give the whole of it:

—and is in just accord with the true ends of a protective tariff.

Now the right hon. gentleman spoke in support of the resolution and I will quote from his observations as reported on page 1924 of Hansard of that year. I will start at the beginning of the sentence, I do not divide sentences:

But before I go into that, let me give you a few figures to show that the conditions of manufacture at the present time do not warrant a very material duty of any kind, particularly as respects the articles manufactured by the International Harvester Company, binders, mowers and reapers. And I think I will convince the House that there is very little if any difference in the cost of the production of these machines on this side of the border and in the United States.

Now have conditions changed so much between Canada and the United States that costs are higher, that it costs more to manufacture these articles in this country, compared with the cost in 1911? If such conditions have come about I would like to hear it. I do not think they have. The right hon. member is on record as saying that it costs very little if any more to manufacture in Canada than it does in the United States. Then why the necessity of protection? I can see why there should be a protection. If the home manufacturer wants to charge more than the price at which the imported article can be obtained, then he requires protection. But why should he want it? The right hon. leader of the opposition in another paragraph says:

Now sir, what are the manufacturers of agricultural implements enabled to do? They are able under this tariff to exact a higher price than they could exact if the tariff were lower. From 10 to 20 per cent is about the addition which these manufacturers are able to obtain from our farmers by reason of the increased protection afforded them by this government.

I heard my right hon. friend declaim last session and the session before that he never changed his policy or his principles, that the wicked men on this side of the House had done that kind of thing, but he was far above such a course. I read an article in the Montreal Star—

Mr. GRAHAM: The whisper of death.

Mr. HUGHES: Yes, sometimes called the Montreal Star. It is headed "Bridging the gap", and it states that a large petition was being got up by the coal mine owners and others of Alberta and the coal consumers of Ontario, asking the government to so reduce the cost of transporting coal from the mines in Alberta to the consumers in Ontario that we could keep out American coal, and that the consumers would get cheap coal, and the petitioners went on to say, according to this article, that this would open up the mines in Alberta, give employment to a large number of miners and furnish cheap coal to the Ontario consumer, but the Star kills the whole thing in one line at the end. It enumerates all these things, and all the advantages that would accrue to Alberta, to the miners and consumers of coal but concludes with the following sentence—

How about the other taxpayers who must meet the railway deficit?

Would the same argument not apply to protection? I will admit that protection is a good thing for the beneficiary.

Mr. HOEY: I doubt it.

Mr. HUGHES: Well, it may increase the size of the city. It may have that result temporarily. It may do these things. But how about the consuming public who have to pay the cost. How about the general public who have to pay the bill? Somebody must pay the bill in the end. The Montreal Gazette, for which publication I have a great deal of respect, discusses quite frequently the subject of carrying grain from western Canada through the Maritime provinces, routing the grain that way and developing the ports of the Maritime provinces, and says that notwithstanding the fact that it might cost a little more to do that, the grain could be brought to Portland a little cheaper. The Montreal Gazette has frequently discussed that question, and it winds up by saying that it is bad economics because the general public would have to pay the deficit on the National Railway. If this is bad economics the policy of protection is bad economics, and the Montreal Gazette ably edited

as it is, strongly advocates the one and denounces or discourages the other. I have heard our friends the protectionists state, and they had no hesitation in stating, that if we adopted a tariff policy higher than it is now, a policy somewhat similar to that which they have in the United States—although it does not seem to work very well there so far as the farmers are concerned—it would work splendidly here, it would stop emigration, would increase immigration, would give more employment, would raise wages, would raise the price of farm products, and at the same time decrease the cost of living. I think they are too modest in the advantages which they claim their tariff would accomplish. Would it not also cure earache and headache, lumbago and sciatica, remove dandruff and prevent the hair from falling out? Mrs. Lydia Pinkham's pills would be nowhere alongside an adequate tariff, which, in the estimation of these gentlemen, would be a tariff made up by the Canadian Manufacturers' Association.

Another argument, if it can be called an argument, that I often hear is that it is responsible for the development that has taken place in Canada. They say that a few years ago we were a smaller country than we are now, that we manufactured less, but that we are getting along better, and are developing and increasing. They point to the enormous development in the United States, and assume that it is all due to the protective tariff. That is a purely gratuitous assumption. The United States of America is an empire within itself. It has every variety of soil, climate and production. The people are most energetic and are the greatest commercial community on the face of the earth. They have prospered in spite of protection, not in consequence of it. Canada has done the same, in spite of protection and not in consequence of it. You might as well say that because the trees bud in the spring and the brooks run to the ocean and the birds sing in the forest, that is due to protection. I do not know what claim will be made for this panacea in the future. Perhaps the dictionary has already been exhausted in mentioning all the good things that can be said. But let us come back to the facts again. We must be sensible men, and surely we can arrive at a reasonable conclusion in regard to these things. If our protectionist friends would tell us frankly that we do not want to do business with other countries; that we want to have Canada for ourselves and for ourselves alone; that we want the home market for ourselves alone, I could then understand their argument in favour of a tariff wall being placed around Canada. But when we say that our progress, development and future depend largely on the trade we shall do with other countries throughout the world, why in the name of common sense do we proceed to fine those who endeavour to carry on that trade? Customs tariffs are after all only a fine. Nations do not trade with each other, although I heard the hon. member for Brandon (Mr. Forke) make that slip the other day. I think it was a slip. Nations do not trade with one another except in a small way. Governments may buy things from one another in time of war; but in time of peace and under all normal conditions, individuals, companies or corporations trade with one another, and it is as true as the proposition that two and two make four that individuals, companies or corporations will not engage or continue in trade unless it is to their mutual advantage to do so. If it is to the mutual advantage of individuals, companies or corporations in different countries, it follows, as the night follows the day, that it must be to the advantage of the respective countries. All trade is founded in the last analysis on barter. We must buy if we want to sell.

Mr. H. G. Wells, the noted publicist, a man well acquainted with Europe, in an article that I read the other day, stated that the curse of that part of the world was due to the fact that there were so many small countries in Europe surrounded by national tariff walls, in consequence of which it was almost impossible to carry on trade and commerce between the different nations of Europe. There were national prejudices, national tariffs, national customs, national restrictions of all kinds. These nations hobbled themselves and then they wondered why they could not walk better. Are we to imitate that kind of thing in America? I do not see any sense in the world in nations subsidizing steamers, sending trade commissioners into other countries in order to promote trade, and then, on the other hand, fining the men who engage in the trade, trying to stop them; with one hand trying to promote trade, and with the other trying to stop or impede it. We ought to be sensible, logical, or at least endeavour to be logical. If we do not want the trade of other countries, let us say so and confine ourselves entirely to Canada. The protectionists do not go that far; they do not want to go that far, because that would be ridiculous. They seem to imagine that there is something in that old

9 p.m.

dictum attributed to Barnum that a number of people are standing around all the time waiting for somebody to fool them. I hope the Canadian people will not be fooled.

Another statement that I was nearly forgetting, we hear from our protectionist friends. They deplore class consciousness in this country. They are sorry that the farmers of western Canada have grouped themselves together to promote their own interests. We have no room, they say, for that kind of thing in this country. There should not be any classes—except the Canadian manufacturers! They can monopolize that field. I am glad that the farmers are class conscious. They have some class interest and I do not blame them for it. I do not think they have much, because in a general way they do not want to place burdens on the other fellow in order to relieve themselves. They object, however, to being made to carry burdens for the benefit of others, and I do not blame them for that. But before the rise of the Farmers' party, the farmers in this Canada of ours could be divided. It may be possible still to divide them between Liberals and Conservatives, but it will not be so easy. The Protectionist party is a well organized party. They have the money, and I will admit that they have a good deal of intelligence and a good deal of craft.

Mr. HOEY: They do not show any of the intelligence.

Mr. HUGHES: They show that unfortunate principle that is with most of us, born with us, perhaps; they show a good deal of selfishness. And when elections come around, the unorganized people are largely at the mercy of the organized even though the latter group be much smaller. That is the way in which they hope to gain their victories, and they may succeed because it is no small group. We have an enemy that we cannot afford to despise. In the beginning of this protectionist business—and my memory goes back as far as 1878—it was then the infant industries that we were going to protect. Poor little things! They wanted only a nursing bottle for a year or two and it would be all right. They would return more favours than they had ever received when they would grow up to be big, strong, lusty men. A good many farmers were caught. The unsophisticated farmers will be caught by that kind of thing. I saw a cartoon somewhere that hits that off pretty well. The protectionist has just to be rocked for a year or two and to be fed carefully and tenderly until he grows to be strong, and he will return all the favours. The old farmer sat down by the cradle and he rocked and rocked. Twenty years, twenty-five years, thirty years passed and the farmer was growing old and weary. The infant had grown to boyhood, then to manhood and had reached such giant proportions that it was very hard for the old man to rock the cradle and he complained and wanted to stop. What was the reply from the "infant"? "Old hayseed, if you stop rocking this cradle, and do any more whimpering, I shall get out and kick your damned head off". I was reminded of that cartoon by an article I saw in the Montreal Star a day or two ago. It stated that the present government had dropped two pilots, Mr. Fielding and Sir Lomer Gouin, and it referred to the historic parallel of Bismarck's dismissal by the young kaiser of that day, which led to the celebrated Punch cartoon by Tenniel entitled Dropping the Pilot. As I say, that reminded me of the other cartoon, and I thought it very appropriate.

I have endeavoured to put my views on the trade question before the House as clearly as I know how. I sometimes think that a good many of our really sane men are locked up in the insane asylums and that the mad fellows are on the outside, bungling the affairs of the world—preparing for war; creating, or not trying to assuage, national prejudices: carrying on commercial wars in a world that was made so fair and that produces an abundance for all the people whom God put upon it, if we would only agree to exchange our products with our neighbours. All we have to do is to be rational and reasonable, exchanging the things that we can produce cheaply and well for the products which the people of other nations can produce cheaper and better than we can. In this way the welfare of the whole world would be enormously increased, and this exchange of products would be in itself the greatest of industries and give employment to countless numbers of people. But we do not do that, we proceed in another way. Of course, I recognize that we in Canada cannot control the world; we have got to take conditions as we find them and do the best we can under the circumstances. For that reason I do not think we could do away altogether with customs duties or with tariff legislation; but we can show an example to the rest of the world. And I cannot imagine that a lowering of our customs duties and allowing the goods of other nations to come in will injure us to any great extent. Nobody will send us goods unless we pay for them, and we can only pay for them in kind—in products of the farm, the sea, the mine and the forest. If we pay

for them in that way, how in the name of common sense can our industries be ruined or destroyed?

But I am getting into the tariff question again quite unintentionally. I thank you, Mr. Speaker, and the House for listening to me with so much patience and attention.

Mr. T. W. BIRD (Nelson): Mr. Speaker, I have listened with absorbing attention to the remarks of the hon. member (Mr. Hughes) who has just taken his seat. It is the first refreshing utterance that we have heard from that side of the House since the hon. member for Brome (Mr. McMaster) saw fit to move his belongings over here. In the early part of the hon. member's speech I shrank back a little when he ventured down the slopes of the Avernus of political recrimination, but I was glad he did not dwell there too long, and I hope he will not venture there again because I think it was the only blot upon an otherwise welcome speech.

In his remarks with regard to the hon. member for St. Lawrence-St. George (Mr. Marler) he shed a new light upon the hon. gentleman's character. I wish he were present, for I should like to have another good, square look at him. He was described as being a sincere and honest protectionist. Therefore such a protectionist is one who believes in the Laurier-Fielding tariff. I appreciate very much the strong grasp which the hon. member for King's, P.E.I., has manifested in his speech of the history of the controversy between free trade and protection, and I think we are indebted to him for presenting it to us in an historical light.

The other day we listened to the leader of the opposition (Mr. Meighen) and the Prime Minister (Mr. Mackenzie King) dealing as usual with matters of partisan interest and forgetting, I am afraid, the matters that engage the public mind of Canada at the present time. I listened to them, as I always do, with unstinted admiration for their great gifts and powers; and as I listened I could not help asking myself the question, in the manner of the very well known phrase, what has all this to do with the condition of Canada? I think that question is the one that is uppermost in the minds of the people of Canada just now. Our political leaders remind me of the gods of Homer who, on the misty heights of Olympus, belabour and scold each other, forgetting the poor grovelling mortals down below, and unheeding their trials, their struggles and their sorrows, engaged the while in brilliant but trivial recriminations. I believe that were the public of

Canada represented here to-night, as they are to some extent, what they would wish to hear from the leaders of the House and from the more prominent members of it would be some word of insight, some word of understanding, some word of discriminating sympathy for the trials through which they are passing to-day. I believe that if, in the opening of this debate by the leaders of the government and the opposition, there had been such words of sympathy and insight expressed it would have aroused a glad response throughout the length and breadth of the land where people have been cruelly hit by hard times and by the economic conditions that have overtaken this country.

In the Speech from the Throne complacent reference is made to the bountiful harvest with which our western country has been blessed. I am afraid, however, that the significance of that bountiful harvest has been altogether lost upon the framers of that address and also upon other members of this House, if we may judge by their contributions to this debate. A year ago members on this side of the House painted the conditions of the West in very dark colours and they were scoffed at and sneered at for so doing. But time and events have justified them, and I think it is widely conceded that their picture was only too true; and those who took the opposite view are now thrust forth like foolish prophets. In my opinion time and events have fully justified the picture as presented from this side last year; and if conditions were bad then they are a good deal worse now, and I am afraid that the bountiful crop has only served to intensify, in the consciousness of the farmer of the West, the real character of the economic injustices under which he labours. There is a phrase that occurs in the famous Chartist Manifesto in reference to a similar situation, and I think it hits off the present condition quite well. I think it is the closing sentence which says:

> Once more the foolishness of our rulers hath made the goodness of God of none effect.

That is true of conditions in the West at the present time. The good crop which has come from the bounty of Providence is like the spotlight: it has but deepened the surrounding shadows in the consciousness of western farmers. In days gone by good times have followed bad times and the farmer has been led to forget his troubles. But I doubt whether he is going to forget any more. I think the iron of circumstances has burnt into his soul so deep that from this time forth he is not going to forget. The seven fat kine may swallow up the seven lean kine,

but the farmer will not be misled. I believe that the farmer of the West and the farmers throughout Canada, by reason of Nature's bounty last year, will begin to study causes and not effects; they will become, as they are becoming, in a startling fashion which I could describe if I had time, radicals in the truest sense of the word, and are divining, with a clearness and precision which they have never indicated before, the true causes of their periodical misfortune.

I will not go detail by detail over the Speech from the Throne, but probably I shall serve a better purpose by presenting to the House as I see it the economic situation in which the farmer is struggling. If I were to analyze the condition of the Canadian farmer it would be in this manner: I would inquire into the matter from the point of view of the remedial measures that should apply. There are certain things which the farmer can do for himself; the remedy is largely within his own power. There are certain other things which the farmer can do only through organization and co-operation in association with his fellow farmers. But there are other things that the farmer can only accomplish through the sympathy and the co-operation of governments, and they form no small part of the farmer's problem at the present time.

Now with respect to these things which the farmer controls himself, they relate largely to the technical side of his profession, and include all those improvements he may introduce into his operations as an agriculturist. We all know what they are, because it is quite the vogue nowadays to press those things upon the farmer—the eradication of weeds, the conservation of the soil, the rotation of crops, the mixing of his operations, and so on; we are all familiar with that, it is the favourite remedy prescribed by the farmer's city friends. They are very fond of saying: Now there you are; go to it; there is the whole secret of your trouble, you do not know how to farm. Occasionally a general manager of a bank, a railway magnate, or a representative of big business, and sometimes a cabinet minister, will leave his highly polished office in the city and take a flying trip through rural Canada I notice that the poetic instincts of these gentlemen never fail to be impressed by the wide expanse of growing grain undulating in the glorious sunshine of the West, but at the same time they never fail to be impressed by the slovenly and inefficient manner in which the farmer is trying to make ends meet. I came across a gentleman of that kind when coming down to Ottawa He blamed the farmer's economic troubles upon the farmer himself. The farmer was inefficient, incapable, disorderly, and I forget just what other adjectives he used; but behind that man's loud and blatant arraignment of the farmer I saw as I nearly always do see, an impenetrable wall of ignorance as to the actual conditions under which the farmer lives. There are quite a number of people who are not ignorant, or who should not be, who often by implication make practically the same charge against the farmer. Even the Minister of Agriculture (Mr. Motherwell) seems to trace all the troubles of the farmer to that cause—he is farming wrong, unscientifically.

The idea for the western farmer is to have a small farm, well-tilled, of not more than eighty acres. I read somewhere, where weeds were absolutely extinct, where everything was paradisiacal, where there was nothing that was not absolutely scientific; that is the secret of the farmers' emancipation; let him get down to mixed farming and all things will be well. Now there is nothing in the world that exasperates the average farmer more than talk of that kind, and the reason is plain. He is not lacking in modesty to the extent that he believes his method of farming is perfect. The farmer, as I know him in the West at all events is human and participates in all the weaknesses of our common humanity. Like the rest of us he has a long way to go before he reaches perfection in his particular calling. But to say to the farmer at the present juncture, when he is up against it, when he is struggling for existence: You must change your methods of farming, those traditional methods into which you have entered after years of experience; you must change that or there is no hope for you—to speak like that to the farmer is about the same as offering a gilt-edged menu card to a starving man and saying: Now, eat, drink and be filled, and everything will be all right.

I believe, Mr. Speaker, that the average farmer is more willing to bring his methods up to date than sometimes governments are willing to help him. I noticed in the papers some time ago that the farmers of Manitoba were anxious to go in for mixed farming. At last the voice that had emanated from the city office had taken effect, and the Manitoba farmers really had a desire to go into mixed farming; so they sent word down to Ottawa to see if perchance they might import milch cows from Wisconsin free of duty. But I understand from the newspapers that they were politely but firmly told that it was not desirable to import American milch cows

free of duty, even though it would help in mixed farming

Then again I understand that the axe of economy, this new-found enthusiasm, this opportunist zeal for economy is going to fall first—where? Why, upon the annual grant that this government has made for the last ten years for the agriculture extension service. And yet the city man will go on saying that mixed farming is the cure, that nothing else is of any use whatever; so hang on to that for it will save you.

Mr. HARRIS: Did not the leader of the hon. member's party intimate to this House the other night that diversified farming would help to a degree?

Mr. BIRD: Is not that just what I was admitting myself, that the farmer has a sufficient degree of intelligence to admit that diversified farming is desirable? Let me tell my hon. friend that diversified farming will come as soon as the antecedent conditions that are necessary are brought about, as soon as governments show the necessary sympathy and co-operate. I want to interject here that farming as an occupation is carried on by numerous people in this country who are the descendants of people who carried on farming before them, and that being the case the traditional rules of their vocation have arrived at a consensus. There is an accumulated wisdom in the farming profession of this country which may not be quite as high as it ought to be, but I venture to say that this accumulated wisdom that resides within the average farmer of this country is superior to anything that can be offered to him from any office chair or from any college professor.

Let me pass on to the second series of cases I have in mind. Now, there are things which the farmer can do through organization, and I am glad to think that the co-operative spirit is taking so strong possession of the farmer of Canada. If there is one thing more significant than another in the rural life of Canada to-day it is the quick growth of the co-operative spirit amongst farmers, especially out West, during this last year or two. It is spreading through the West almost like a gospel, and is capturing the imagination and the mind of the farmer, and there is very little in the farmer's mind at the present time that weighs equally with it.

Two sessions ago when the organized farmers made representations here to this parliament for a wheat board they were met with very strong and very insistent opposition right in this place, and that opposition was so strong that the measure could not get through the House until it had been debilitated by compromises that rendered it practically worthless. The farmer took it back West with him and tried to make some use of it and when he failed, as he inevitably did fail, he turned his mind in the direction of co-operative effort, and that is where his mind has been ever since. When the wheat board legislation was passing through this House the opponents of it said to the farmer "Now, it will be your salvation if you will learn to cultivate a little bit more self help. You are dependent upon governments too much. Why don't you go back and help yourselves?" But I find that the same people who opposed the wheat board and offered that advice are the very people who are trying to hamper the co-operative efforts of the farmers now. It amounts to this, Mr. Speaker: That every time the farmers of this country—or of any country for that matter—try to lift themselves up above themselves, they at once clash with some vested interest or another.

Now, as I said, the matter of co-operative marketing is a burning question in the West at the present time, and the Department of Agriculture of the Dominion, has the opportunity of its life, it has the opportunity right now to show that it is behind the farmer. I know that the Department of Agriculture has carried on educative work for some time along co-operative lines. I read a pamphlet and a very good pamphlet, the other day on co-operative marketing in eggs. But what are eggs compared with wheat? There is a hint for the Department of Agriculture. There is a movement in the West that has for its objective the marketing of the western crop through the farmer's own self controlled channels. There is an opportunity for the government to show its sympathy for the farmer, there is an opportunity not only by lending its machinery for educative purposes, but if possible of getting behind the movement with some financial backing too. A short time ago there was a deputation of farmers here from the West who had the audacity to ask the government for some of their own money in order to help them to organize for co-operative marketing of their wheat. I do not know, except from the newspapers, the effect of that interview, but I hope the result will be satisfactory to the farmer of the West in pursuing this very legitimate and very admirable aim of getting together and marketing the staple product of our western farms.

Then again there are a large number of things which the farmer cannot tackle, either single handed or through organization, except the parliament of Canada come to his help by administrative means or by legislation, and those things are most vital things that affect the farmers' position at the present moment. Co-operative marketing and the improved methods of agriculture will come in time, but it will be only in time. It will take many years to switch the western farmer over from his present methods to any other method, necessarily so. But what the farmers in the West, at any rate in my district, need is some relief now. That is what they need at the present time, they need attention; and the things from which they suffer are things entirely within the control of parliament. In fact the reason they suffer is because of the enactment of parliament, because this parliament has willed that they should suffer in that way. It is not necessary for me to mention some of those things. There is the debt under which the farmer is labouring; there is taxation; there is the tariff; there is transportation. Every one of those factors in the cost of production is grinding the face of the farmer at the present time; and grinding the face of the farmer because this government here—I beg your pardon this parliament—wills that they should grind the face of the farmer. That is the situation under which the farmer is labouring at the present time. The economic situation of the farmer is right within the hands of this parliament, right within its hands at the present time. It is no use trying to move the responsibility over to the farmer himself or to any other outside origin. The crux of the whole situation is right within this Dominion parliament. Now, someone will say that this place, this chaste temple of national causes, ought not to be degraded into a forum for the furtherance of class interest. This is the place where only the abstract good of all can be considered, and not the concrete good of a few. That is the position that one frequently hears put forward not only here but elsewhere—that this is not the place for a class to bring its grievances. But where else can the farmer bring his grievance, or carry his grievance, because here is the place of their origin? He is helpless if he is ruled out from bringing his grievance to the only place where he can possibly find redress.

Upon the financial difficulties under which the farmer labours at the present time I will not dwell very long, although I know that a good many farmers in the West believe that the financial side of their situation is the most important. During the war farmers very often were led to invest their money, through patriotic incentives, and now in the process of a few short years they are left absolutely defenceless against the rapacity of their creditors. I know large numbers of them personally, and they are most sober, capable farmers, Canadian-born, who have lost all that they had accumulated as a result of their life's toil. There are many others who, though not losing all, have been saddled with a debt that will embitter their lives as long as they live. Perhaps if I were challenged to say just how parliament could help that situation I might not be able very clearly at the moment to say; but surely parliament exists for the very purpose of seeing that that kind of thing does not happen, or if it does happen that some relief can be found. During this debate an attempt has been made to show that the war was not paid for as it proceeded. We know it was not paid for as it proceeded, but it is being paid for at the present time, to the ruination of many hard working honest farmers throughout the length and breadth of this country. Talking about capital levy, I know farmers who have suffered a capital levy. Some of them have lost four, five, six or eight thousand dollars in the course of a short time, and why? Because a war occurred in which the whole nation was involved, which was the means, not of impoverishing the nation as a whole, but simply the means of transferring millions of dollars of wealth from one part of the nation to another, and is this parliament not the place to come and lay a grievance of that kind? Surely this is the place to present it because the whole financial system of this country hinges right on this Chamber.

As I said before, I have no suggestion to make as to how the government should come to the relief of victims of our financial system. Probably if I were to venture one suggestion I would be classified amongst the theorists. Last session in the Banking committee room we had a professor from a noted American university standing before us, telling us that the war had been the means of transferring wealth, without any equivalent, from one set of persons to another set of persons to the amount of billions of dollars. I think it was said to be forty billion dollars in the United States. The same thing has occurred in Canada. There are thousands of people in Canada to-day who took homesteads in the West twenty or thirty years ago, who ever since have been working hard, saving and improving their farms, and who to-day are without farms at all. I travelled to Winnipeg

with one farmer the other day who was coming down to see his wife in the General Hospital in that city. He told me that when he stood in the bank the other day and was told by the manager that the decision had been made to close him out, he felt as though it would have been as well if that manager had come and knocked him on the head. He said "My life's work and all the savings of all these years had gone." That man is homesteading afresh, at an age approaching almost sixty years. That is not an isolated case at all by any means, as I could prove if I had time. He was a capable man, born in old Ontario, sober, diligent and a good farmer; and that is the position he is in to-day. The bank manager said to him. "Why do you not write home to the people in Ontario and ask them to try and help you settle up the little balance that is left?" He told him he was ashamed to write home to old Ontario and tell the people the position he was in, after all the years he had been out West. I do not know what the intention of the government is in regard to the financial aspect of the farmers' business, but one would hope there will be an attempt at any rate to do something. It is not an easy matter for the government to address itself to the farmers' financial needs. There is a wide area for experimentation, but a beginning ought to be made in that direction, in order that the financial aspect of the farmers' business might be made as easy for him as possible.

Dealing for a moment with the question of the tariff: I have listened with a great deal of interest to that subject of never failing interest; and I believe that the farmer especially in the West, will continue to be a free trader so long as he has to sell his surplus produce on a foreign market and produce those goods under conditions of protection. It needs no prophetic gift to know just where the western farmer at any rate is going to stand on the question of free trade or protection. We have before us to-night at this stage of the debate the amendment proposed by our hon. friends to the right. As I listened to that amendment, after having listened to the previous debate, I thought to myself, now here is a new version of the mountain and the mouse. After all this fierce rumbling, booming, cracking, banging, flashing and flaring, here comes forward a mouse, a poor anaemic mouse, alas, the poor distressed agriculturist. "Cheer up Mr. Farmer, we are going to add a little to the tariff; felicitate yourself, we are going to increase the duties on your machinery; leap and shout for joy, we are going to protect you into prosperity."

I notice that the amendment draws our attention to the exodus from Canada—that doleful subject. I wondered—and yet I did not wonder—where those people are going. Does anybody here know where they are going? They are leaving Canada. Where are they going? They are leaving the farms of Canada and they are going on to the farms of the United States.

Mr. HOEY: Not on your life!

Mr. BIRD: An hon. member here knows more than I do, and I am glad he does because that is what I would fain believe myself. That is just where they are not going. No farmer in a country that has a medium protection would ever go and farm in a country that has a big protection, because that is where the farmers really starve. They do not quite starve in Canada; but they do actually starve in the United States, and they could not help starving. I will tell you where all these people are going. They are going into the cities of the United States, those great, big swollen parasites that suck the life-blood of the American producer. They are going to swell the numbers of the parasites. Long before Great Britain enjoyed free trade, William Cobbett, when he took his ride through rural England, described the city of London, which had grown prodigiously in the then recent years, as a wen, a wart, an unsightly and ugly protuberance growing up like a weed and sucking like a vampire the life-blood of the nation. That is true of the American cities. They are living on the life-blood of the American producer, the man who works in the mine, in the forest or on the sea. That is where they are going. But our friends says: "The cities create the home market." Let me tell you what they create—a big, wide-open mouth that swallows up the hard-earned toil of the man who works by his hands, the farmer in the wheat states, the corn states and the cotton states. Oh, there is no prosperity in rural America, but there is prosperity in urban America. That is always true of protectionist countries. It cannot help being true

I noticed that the hon. gentleman (Mr. Sutherland), who moved the amendment, was not quite so sympathetic with the poor working man. He said some awfully stinging things about the poor civil servant in this city and about the workingman who, by organization, had, at last, been able to protect himself. It is all right for his friends to protect themselves, but it is not right for anybody else's friends to protect themselves. This parliament and this government is suffering, not

through the influence of the big interests, but through the awfully corrupt influence of the civil servants and the workingmen of this country! He said: "It would be a good thing if this building and this institution could be taken right away from that corrupting influence and all those gentle, innocent looking men whom we meet in the street and who are the servants of this country." The civil servants—they are the people who are threatening the integrity of this country, and the sooner we get this parliament away from that atmosphere, the better it will be! I will tell the hon. gentleman that right in my constituency I have a number of sites that would be ideal. Only I will warrant him that they would be just about as inaccessible to his friends as to anybody else's friends, and it would be a fearful tragedy if the Manufacturers' Association, like the civil servants and the poor workingmen, could not bring its influence to bear upon this parliament. I think, possibly, I have summed up in those few words, the quality, essence and quintessence of that thing that was tagged on to the end of the hon. gentleman's speech and that is called an amendment. Mark you, they are asking the government to do what a speaker, a short while ago in this debate, told them was criminal to do—that was to interfere with the tariff in the middle of a parliament. It is all right to move it up, but you must not move it down.

10 p.m.

I come now to the question of transportation, and I would like to tell the House that in the farmer's mind, there is no factor that weighs upon him so much as transportation. Neither the tariff nor anything else figures with the farmer like transportation. If you stay to consider for a moment what it costs a farmer to send a bushel of wheat or a steer to Liverpool, or eggs or poultry or cream or anything else to the home market, you will know just how much transportation figures in the mind of the average farmer. Two sessions ago this parliament dealt with the Crowsnest pass agreement, and that was very highly appreciated by the western farmer, although, mark you, it was not much of a consession. It was a fragmentary piece of justice that was very quickly becoming overdue. At any rate, the farmer was grateful. Last session when the government attempted to grapple with the shipping ring on the Great Lakes, the farmer was likewise appreciative according to its degree. The failure of that attempt is just as significant to the western farmer as the injustice itself with which the attempt was made to deal. It is all very well for the leader of the opposition (Mr. Meighen) to taunt the government with the failure, as he did; but I would like to tell the right hon. gentleman that when you begin to struggle with the big interests, it is not the species of government at all that matters, it is the genius. It was not because it was a Liberal government that it failed, but it was because it was a government—well, just as it was a government. Governments, hitherto, and even up to the present time, are not so constituted that they are of any great advantage when they begin to handle the big interests, because the big interests seem to have some kind of inside hold, and therefore, it is not easy for any government, such as we have known governments, to tackle those big freshwater monsters that batten and thrive upon the hard-earned toil of the western farmer, that Great Lakes' Kraken that lies in wait every fall until the crop ripens and then sinks its fangs into the vital spot of commerce and holds on. But we are willing that the government should try again, because they know by this time that it is a monopoly of a peculiarly vicious kind, and the only effective way to deal with such a monopoly is either to destroy it or take it over and use it for the advantage of the public at large.

Now, this naturally brings me to a very congenial subject—the natural outlets of western Canada to the sea. There is the crux of the whole transportation question. If Canada could develop its natural outlets to the utmost, these things might not happen; if every one of Canada's avenues to the sea were developed to the fullest extent, the strain that periodically falls upon any one of them would automatically be relieved, and the element of competition would assure to the farmer a minimum charge for the carriage of his products. My friends around me know what I am aiming at. In the Speech from the Throne there was some mention of transportation and, by implication, of its importance to the farmer. But the reference was in a form that, to the western mind, seems totally unwarranted. For years, and never more insistently than now, the West has been asking for the Hudson Bay route, and the government in the Speech from the Throne says in effect: Oh, yes, certainly; here is the Welland canal. We asked for an egg and they gave us, not a white stone —using the simile of the leader of the opposition—but a white elephant, which is worse even than a white stone. The West has had the Hudson Bay route in its mind and imagination for over a generation. Between the years 1907 and 1917 the activi-

ties of both governments were such as to make the West believe that at last its long cherished aspirations were about to be realized. In the latter year, 1917, however, it was thought best to suspend the work on the Hudson Bay railway in the interests of national economy. The West acquiesced in that view, with the distinct understanding that when the financial condition of the Dominion warranted it the work would be resumed. That was the compact, and so for four or five years public opinion in the West in regard to this project lay dormant; but two or three years ago certain sinister signs began to appear, certain signs of opposition, certain signs that that compact was in danger of not being observed. The opposition began to assume a very bitter form, until in the fall of 1922 it culminated in an attempt at vandalism such as has scarcely ever been equalled in the history of this country. An attempt was actually made not only to deface, but even to obliterate, the work which had already been done. I am not blaming the government for it. The thing was done unknown to the public, it was done, I venture to say, without the knowledge of the government as to its real significance, and in the West there is a firm conviction that it originated in the minds of the enemies of the proposition.

That was in the fall of 1922. By that one act public opinion in the West was aroused to fever pitch. The long cherished aspiration to which the people out there had clung was attempted to be defeated in that underhand method. The revival of public opinion in the West in regard to the Hudson Bay route coincided practically with the beginning of this parliament two years ago, and during the two sessions that have passed western representatives have done their best to present the Hudson Bay railway case to the House, as Hansard will attest. Last year our hopes were again revived by the grant of $350,000 for the continuation of the work and also by various professions made on both sides of the House, only to be dashed to the ground last summer and fall by the almost entire absence of any visible attempt to spend the money. The excuse made by the government that the vote was passed too late may be a good one, it may even be adequate—and I do not question the sincerity of the government—but I would point out that it is not the kind of excuse you can use twice; it would look a little bit faded if ever called upon to do a like service. To-day the West is looking for an early vote, an adequate vote, and a sincere vote on this matter, in spite of all this talk about economy, this opportunist economy, that has suddenly sprung up like a mushroon in certain quarters of the Dominion, because I tell you that to the western farmer, especially in the north of those rich provinces, the completion of the Hudson Bay railway is supreme economy. Why, if the expenditure made on the Welland canal for one year were spread over two or three years it would suffice to build the Hudson Bay railway to a point where it might be tried out and taken forever from the sphere of embittering controversy. This is not merely a business proposition that you can estimate in dollars and cents. It is a matter of profound sentiment, indefinable yet nevertheless powerful, that always grows in the consciousness of people who are isolated, as we are out West, towards their natural outlets to the wide world. You are dealing with a profound community consciousness that you cannot defeat. Mention is made in the Speech from the Throne of the everlasting problem of East and West, and we know it is a problem the solution of which is of supreme importance to the Dominion. Here is a chance for statesmanship to prove itself, to grant this generation-old aspiration of the West for its natural outlet to the sea. I venture to say that if this government will see its way clear to do that, if it will make a favourable and definite pronouncement of policy on this question, it will work a revolution in the mental attitude of the West towards the East which has become exasperated by reason of an unscrupulous propaganda that has been carried on by certain newspapers in the East.

The Hudson bay proposition will come up before this House at a later stage. My hon. friend for Prince Albert (Mr. Knox) has a resolution on the order paper, and when it comes up for consideration I hope to be able with others to meet some of the arguments which during this last year have been spread broadcast throughout Canada, and especially throughout eastern Canada, in regard to this proposition. Statements, in reference to facts, that are patently false, have been scattered throughout the country by means of newspaper propaganda in order to defeat the West of this legitimate aim of theirs for the opening-up of their natural channel to the markets of the world; and when the resolution of the hon. member comes up I shall deal with these misrepresentations.

On motion of Mr. Logan the debate was adjourned.

ADJOURNMENT—BUSINESS OF THE HOUSE

Hon. G. P. GRAHAM (Minister of Railways and Canals): I move, Mr. Speaker, that

the House do now adjourn. In doing so I think it might not be out of place for me to observe that if this debate is to be concluded within a reasonable time the House, beginning next week, should sit somewhat later.

Motion agreed to and the House adjourned at 10.15 p.m.

Monday, March 10, 1924

The House met at three o'clock.

REPORT

Nineteenth Annual Report of the Board of Railway Commissioners for Canada.—Hon. Mr. Graham.

PRIVILEGE.—HON. MR. SINCLAIR

Hon. J. E. SINCLAIR (Queen's, P.E.I.): Mr. Speaker, I rise to the question of privilege. Members of the House may have observed certain rumours published in the newspapers during the past few days, and even previously, with which my name was connected. I desire, therefore, to place before the House and the country a statement of the facts so that the actual situation in connection with these rumours may be known, particularly as bearing on the extent to which I have in any way been connected with the man Mitchell who was recently under trial in London. There is nothing, Mr. Speaker, that I wish to conceal. I want hon. members and the public generally to know the truth and everything connected with the incidents to which reference has been made; I will therefore make a detailed statement of fact so that they may be the judges.

In the month of December, 1922, at a dinner given by the Board of Trade of Moncton, N.B., I met Andrew Fraser Mitchell, who said he was a son of Mr. A. P. Mitchell, Superintendent of Education of the Central Provinces of India. Mitchell said he was born in India and that he was a cousin of H. L. Fraser, an inspector at Ottawa of the Royal Canadian Mounted Police, Division "N," and was a nephew of the late Sir Andrew Fraser, who was in his lifetime a well known and distinguished Indian official and whose widow, Lady Fraser, now lives in Edinburgh. Mr. Mitchell informed me that he was wholly concerned in a scheme for settling in Canada Indian retired civil servants; that he had considered locations in British Columbia and elsewhere in Canada, and that he thought the Maritime provinces offered possibilities and attractions interesting for settlers of this class. He further intimated that Prince Edward Island ought to be quite suitable for his scheme of settlement, because the proposed settlers would all be possessed of means, would find the Island life agreeable in summer, and would be afforded an opportunity of going south or back to the Old Country for the winter.

Being interested in the question of obtaining immigrants to come into the province, and in consequence of Mr. Mitchell's statement that he was to visit there, I communicated with Inspector H. L. Fraser at Ottawa, who verified Mitchell's statement as to his reliability and character. In addition I caused inquiries to be made from Mr. A. A. McLean, Comptroller of the Mounted Police and formerly member for Prince Edward Island, in regard to Inspector Fraser, and received from him information which confirmed the view that the relative of Inspector Fraser's was a man who could be relied upon.

Mitchell came to Charlottetown about the middle of January, 1923. At his request I met him there and we interviewed the Premier, the Commissioner of Public Works, and the Commissioner of Agriculture, for the province. The Premier, Hon. Mr. Bell, listened to Mitchell's representations, but intimated to Mitchell that there was not much likelihood of his being employed by the province as owing to the state of the finances of the province they could not engage in emigration work.

I returned to my home at Emerald on January 18, and on the following day Mitchell came to see me. He then stated that he proposed to go on with his emigration scheme on his own account and that he had men with means who would support his project; and he proposed in any event to acquire land in Prince Edward Island for the settlement of those composing the class of men whom he proposed to bring to Canada. Mitchell also interviewed a neighbour of mine, Mr. William H. Mayne, to whom also he explained his proposals. The result was that on Saturday, 20th January, 1923, Mitchell took options on the farms of Mr. William H. Mayne, Mr. Peter Sinclair and myself, and on Monday, 22nd January, on the farm of Mr. George H. Mayne, covering in all something over 700 acres. The options were for the purchase of these farms within one year, and at the rate of $100 per acre, provided that if the options were exercised after May 1, 1923, and the crops would have to be sacrificed, payment of this damage would be made by the option holder.

In February, 1923, Mitchell came to Ottawa, saying that he was not successful in getting interested the people he expected would assist him, and would have to drop his options, and that he had again approached the provincial government of the Island who had now agreed to appoint him as colonization representative. He asked me if he could see the Minister of Immigration at Ottawa, with the idea that the province might have the benefit of $150 a month which the federal Department of Immigration allows to provincial officers overseas when they are working in harmony with Dominion immigration officials. Mitchell, recognized as a provincial official, was taken under this practice.

When Mitchell received his appointment from the provincial government he objected to its form in respect to the way in which he was designated. He telegraphed me that he was asking Premier Bell to have it changed and requested me to assist in correcting it, and on February 19 I telegraphed the Premier, Mr. Bell, accordingly.

When Mitchell went to London he appeared to have some difficulty with the Dominion Department of Immigration there, and cabled me accordingly. I did nothing more than pass his request on to the secretary of the Minister of Immigration at Ottawa.

Toward the end of July I was advised from Ottawa of disturbing reports coming from London and that Mitchell was antagonizing the shipping companies and others. Early in August I was informed when at Ottawa that Mitchell was dropped from the list.

Upon returning I received a telephone message from Mr. H. R. Thompson, of Amherst, the secretary of the Canadian Manufacturer's Association for the Maritime provinces, saying that he was in communication with Mitchell, who had wired requesting Thompson to have a survey made of lands in Prince Edward Island, which Mitchell said were held by him under options to purchase. I answered Mr. Thompson that the land owners understood that the options were ended months ago. His reply was that his instructions were to have surveys made. I told him he would have to see the land owners as I did not think the options gave any right to survey before they were taken up.

In a few days Mitchell and Thompson came to Prince Edward Island. They asked why the surveys were objected to, and were told that there was nothing to survey, since the land owners considered the options were at an end long before. Mitchell proceeded to get the land owners together and asked leave to survey the land, and for an extension of the time of the options. The land owners refused, unless the land should be paid for and possession taken by him at once. He refused to release the options, saying that he had responsible people interested with him and must go on. He distinctly stated to the land owners at that time that he had then nothing to do with governments and was carrying out his own private scheme. The owners then agreed to extend the option on payment by Mitchell of twenty per cent of the price at the end of the option period, and they agreed to give him the privilege of surveying a part of the Mayne lands.

Mitchell asked at this time to settle some colonists on the rear portion of the proposed survey on condition of his paying at the rate of $100 per acre for the part taken, payment to be made before any building should be erected or possession given. A couple of weeks later Mitchell came back with Captain Dudley, a retired Indian army officer. I saw these men at Emerald Junction, but only in a casual way. They came out to the lands and Captain Dudley was represented by Mitchell to be his agent, who would reside in Halifax, or Amherst, and who would superintend the settlement of such as would arrive by autumn.

Toward the end of August, or in the early part of September, Captain Dudley came back with Captain Butler and Captain Duthie, both retired Indian army officers. I did not see them. At this time there was lumber on the ground, but no house up. I met them the following day but I had no conversation with them.

About two weeks later, Butler and Duthie returned to Prince Edward Island. They said they were dissatisfied and refused to go on the land, stating that misrepresentations had been made by Mitchell. Thompson came to Charlottetown and asked me to come there to meet him. Later I went in and saw letters which Butler and Duthie had from Mitchell and which appeared to me to contain statements contrary to facts. Butler and Duthie stated that Mitchell made misrepresentations also to the fact that some eight families were already settled, and thirty or forty would be settled by the autumn. While we were together another message came from Amherst intimating that Captain Turner, another proposed settler, was on his way. He came and told a similar story.

I then cabled to Mitchell stating I had seen Thompson, Duthie, Butler and Turner, and that they charged him with misrepresentations, and pointed out to him that the statements in his letters as attributed to me were

entirely untrue; and believing that on account of his position and relations that he was responsible, I stated that he should refund to them their money.

Later I had one or two letters from Mitchell, who tried to explain his situation and to say that Lieutenant Jackson was coming as his representative, and would settle up everything. I did not pay any further attention to Mitchell's communications. Jackson came in October, when he found one bungalow completed. Jackson told the land owners that he was representing Mitchell; that he was a retired naval officer, and that he had spent the first and second of October with Mitchell in London getting his instructions. I then showed Jackson my cablegram to Mitchell of September 27, and told him further that I thought Mitchell had misrepresented the situation. Jackson then told me that Mitchell had not shown him my cablegram, and that if he had seen that message he would not have come to Canada.

In the meantime the government of Prince Edward Island changed and the new Premier, Hon. Mr. Stewart, indicated that he proposed to investigate Mitchell's actions, and this investigation was carried out. All the landowners appeared and gave evidence at the first hearing, except that my own hearing was postponed from 25th October to the middle of November and still later, when I gave my evidence as I have stated.

I desire also to say that after the visit of Mitchell and Thompson, the sum of $279 was given by Mitchell to Mr. William H. Mayne to pay for the cost of surveying a certain portion of the properties under option. This survey was made, and later on cheques for $500, $300 and $500 respectively were received by him on account of part of the purchase price of part of the properties of George H. Mayne and William H. Mayne; the balance of these moneys after paying the cost of the survey remains in the hands of Mr. William H. Mayne. Mitchell never arranged with me at any time for the erection of any bungalow. I have not profited one cent either directly or indirectly from the transactions of the said Mitchell in Canada or elsewhere.

I have had nothing whatever to do either directly or indirectly in the promotion of Mitchell's scheme. Any visits I made, or communications I have had with the Premier of Prince Edward Island or the government of that province, or with the Minister of Immigration at Ottawa, or with his department, and connected with Mitchell in any way, were done by me in exactly the same way as I might have acted at the request of any individual, and just as every public man in Canada might have done scores of times throughout his public career. I am not responsible for anything Mitchell did or said, and not a single one of the proposed English settlers has ever made any charge against me, or offered to suggest that I was in any manner, even remotely blameworthy.

The only purpose or reason I interested myself in the matter at all was in order to advance the interests of my province. I felt, from the representations made by Mr. Mitchell, that it would be desirable to bring to Prince Edward Island men of the character and stamp that he represented he was in a position to bring there, and were it not for the fact that after full inquiries I felt that Mr. Mitchell was a reliable man, I would have had no dealings with him whatever.

I make this statement, Mr. Speaker, in order that the full facts may be known. If any detail is omitted, I have no desire that it shall be in any way held back from the members of the House and the public.

CROWSNEST PASS AGREEMENT

On the Orders of the Day:

Mr. Jos. T. SHAW (West Calgary): I would like to ask the Minister of Railways (Mr. Graham) if there is any truth in the report current in the papers that the government does not intend to take any steps to prevent the full operation of the Crowsnest pass agreement in July next.

Hon. G. P. GRAHAM (Minister of Railways): The action of the government will be made known in due course. I am not in a position to state its attitude to-day.

ORDER—REFERENCES TO THE SENATE

On the Orders of the Day:

Hon. G. P. GRAHAM (Acting Prime Minister): Might I call your attention, Mr. Speaker, to one thing? I seldom, if ever, call any speaker to order so long as he keeps within reasonable distance of the rules of debate, but I fear that in the debate on the Address now in progress we are getting close to the violation of a rule in referring, as has been done frequently in this House, to what has taken place in the upper chamber. I think that is not according to the well-known practice of the House of Commons. I remember being called to order on one occasion in this House for referring to what was said in the upper chamber in these words: "Somewhere, some person has used this language," I was called to order for quoting from a debate

in the Senate. I think I need only call attention to the rule. In order to maintain good feeling between the two Houses of Parliament and respect one for the other, we should not refer to the debates taking place in the upper house.

UNITED STATES TARIFF ON WHEAT

On the Orders of the Day:

Mr. W. G. McQUARRIE (New Westminster): Might I ask if the government contemplates taking any action, by way of retaliation or otherwise, in regard to the proposed increase in the United States tariff against Canadian wheat and wheat products?

Hon. G. P. GRAHAM (Acting Prime Minister): "Retaliation" is a bad word to use in business, if the object of trade is to make a profit. I would not like to say that the government had even been considering retaliation.

HOME BANK INVESTIGATION

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Will the acting leader of the House say whether or not anything has been done towards amending the commission in respect of the Home Bank inquiry, pursuant to the promise of the Prime Minister last week?

Hon. G. P. GRAHAM (Acting Prime Minister): I will look into the matter and give my hon. friend a reply tomorrow or the next day.

Mr. MEIGHEN: Will the leader of the House lay on the table the amended commission?

Mr. GRAHAM: I have no objection to doing that when the commission is amended.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

Consideration of the motion of Mr. Kelly for an Address to His Excellency the Governor General in reply to his speech at the opening of the session and the proposed amendment thereto of Mr. Sutherland, resumed from Friday, March 7.

Mr. HANCE J. LOGAN (Cumberland): Mr. Speaker, joining with others I desire to congratulate the mover (Mr. Kelly), and the seconder (Mr. Lapierre) of the Address. We have known the member for Nipissing (Mr. Lapierre) for a long time; we know how eloquent he is. I hail in this House a fellow Nova Scotian in the member for Cape Breton North and Victoria (Mr. Kelly), who in moving the Address gave us one of the most businesslike speeches we have listened to for some sessions. I am going to speak to-day in perhaps a rather candid way. I agree with my hon. friend from St. Lawrence-St George (Mr. Marler) who told us on Thursday that speeches in this debate should be rather in the direction of advice to the government of the country, and should reflect the views of the constituencies which the speakers represent. I propose this afternoon, in a most humble way, to give some advice to the government of Canada particularly in reference to the Maritime provinces to which I have the honour to belong.

The Speech from the Throne itself, as a whole, is one which commends itself to all well-wishers of Canada. If previously we had a chart we now have a definite programme to deal with at this session. Speaking as a Liberal I regard the Speech from the Throne as one calculated to give us fresh hope for the welfare of this country. Undoubtedly the speech is long, consisting as it does of twenty-one or twenty-two paragraphs, but every paragraph is important in view of the present condition of affairs with which we have to cope. I shall refer particularly, Mr. Speaker, to one or two of these paragraphs in passing. Paragraph 4 is thus worded:

> My ministers believe, however, that in virtue of economies already effected they will, when the present financial year closes, be able to announce to the country that for the first time since 1912-1913 the national budget has been balanced. They are further of the opinion that when the budget for the ensuing fiscal year is introduced it will be found that the relation between public revenue and public expenditure is such as to justify some immediate reduction of taxation.

The people of this country will welcome this declaration of an early reduction in taxation with a great deal of pleasure. We know that the war was expensive. We were quite willing during that great struggle to bear our burden. But the taxation of this country at the present time—I refer particularly to the direct taxation—is, in my humble judgment, too high, and is not in the best interests of the country as a whole.

In the next paragraph the government announce that the government propose

> —to reduce the cost of the instruments of production in the industries based on the natural resources of the Dominion, thereby aiding materially in the development of our natural resources, and, through cheapened production, effecting a diminution also in the cost of living.

That is a good sound Liberal principle, a doctrine which we desire to preach and to carry out. The wealth of Canada can never be built up with exotic industries. The great

wealth of Canada depends upon the soil, upon the sea, upon the forest, upon the mines, and whatever we can do to lessen the cost of production in connection with these great natural resources, the richer our country must become. This doctrine is particularly pleasing to one from Nova Scotia, because there we not only have the important industry of agriculture but we also have the great mining industry, we have the lumbering industry, and we have the great fishing industry. A reduction in the cost of production will be beneficial to these industries as well as to agriculture. One would think sometimes when an industry affecting a few hundred men is getting nervous, that there were not other large industries in Canada which should be considered. I read an address the other day delivered by my hon. friend the member for Lunenburg (Mr. Duff) before an organization in this city in which he made this statement:

> One hundred thousand of the inhabitants of Canada are dependent upon the fishing industry.

What in the name of heaven has protection ever done for the fishing industry of this country? We have in Nova Scotia probably nearly one hundred thousand people directly or indirectly dependent upon the coal mining industry. What has protection ever done for the coal mining industry of this Dominion? I will devote some little time later on in my address to a consideration of the question of the duty upon coal. I want to remove from the minds of the people of Canada the idea that we have any protection upon the production of coal. Then, too, what has protection ever done for the lumbering industry of the Maritime provinces, or for that matter what has it ever done for the agricultural interests of these provinces? Forty-five years have gone by since great hopes were held out to us. We were promised in that distant past that the National Policy would build up great industries in the Maritime provinces, that smokestacks would arise in all parts of the country, and that incidentally there would be a great market for the products of the farm. We have waited for forty-five years for this prediction to be fulfilled. I defy anybody in this House, from the leader of the opposition down, to show where high protection has been of benefit to the provinces of New Brunswick, Nova Scotia and Prince Edward Island. Why, Sir, the two industries in my constituency that have really weathered the storm, so to speak—have weathered the hard times that followed the war—are the woollen industry in Oxford and the boot and shoe industry in Amherst. They were prosperous industries away back in the seventies before we had any National Policy; but some other industries particularly those which have been built up on a false basis were the ones to suffer first when depression came a few years ago.

Mr. Speaker, we have had it stated here there is prosperity in Canada. The leader of the opposition denies it, but I prefer to take the language of a man who occupies a very important position, namely R. S. White, editor in chief of the Montreal Gazette, the sanest Conservative newspaper in Canada. In his opening remarks in the book published this year by the Gazette company containing a commercial and financial review of the year 1923 he says:

> Surveying the state of trade in Canada in 1923, and all that pertains to the material prosperity of its people, there is much to encourage and little to dispirit.

Taking the whole of the Dominion of Canada "there is much to encourage and little to dispirit," but we must admit there are districts in Canada which have not the prosperity which we would wish. Those districts are the prairie provinces of the West and the Maritime provinces. We on this side desire to endeavour to better conditions in these two parts of Canada, believing as we do that the strength of our confederation chain depends upon the strength of the individual links. It is of no use to try to build up a strong Canada when the Maritime provinces are weak or are not prospering. The Maritime provinces were considered most important to confederation, and they are most important. But if the conditions there are not what they should be, it behooves this government, or any other government in this country, to get down, as my hon. friend from Pictou (Mr. Macdonald) often says, to brass tacks, to find out what is the matter, and effect a remedy, if possible.

Referring again to the general prosperity of Canada outside of these two parts thereof, it is a matter of congratulation that there has been and is considerable prosperity. I know it is stated that we are very heavily in debt, that we owe about two billions four hundred millions of money, but does it ever occur to you, Mr. Speaker, that three-quarters of that money is due to Canadians, and that the people of Canada actually receive every year from that loan about ninety million dollars in interest? The government pays in pensions to the soldiers thirty-three million dollars. That money is kept in Canada; it circulates again, and part of it comes back to the treasury of the country. We advanced to railways something like seventy-seven millions last year, but was that money sent out of the country? No, it was paid

out to working men, to manufacturers, and producers throughout the length and breadth of the land. We gave subsidies to the provinces of twelve million dollars which is spent in the provinces and is coming back to us in an indirect way. We gave in grants for secular education, for highways and agriculture, eight million dollars, and in ordinary expenditure about one hundred and twenty-six million dollars, all spent in Canada, and paid to Canadians. Our total expenditure for the year was about four hundred and thirty-four million. I venture to state that out of that sum three hundred and seventy-five million dollars remained in Canada, that being one of the reasons why this country is as prosperous as it is to-day. If hon. members will look at the deposits in the savings banks and in the chartered banks of the country, they will find that in spite of the fact that the Canadians have one billion seven hundred millions invested in government bonds, the deposits in the chartered banks and in the savings banks have materially increased during the last year. Therefore, I think it can be very well said that, so far as the central part of Canada is concerned there is prosperity and considerable of it.

What is the matter, may I ask, with the Maritime provinces? I am not going to speak of the prairie provinces, because there are so many honourable gentlemen from those provinces who know so much more about them than I do that it would be presumptuous on my part to speak about their difficulties. But I do claim to know something about the difficulties of the Maritime provinces. What are the difficulties? What is the cause of this depression? Why is it that so many of our manufactories are idle? Why is it that the grass grows upon the streets of many of the seaport towns of those provinces? I give you the answer, Mr. Speaker, in two words. Tariff and transportation are the causes of it. We did not feel the effects of the National Policy as long as we had cheap transportation. We did not feel it so severely as we feel it now, so long as we could transport our manufactured goods from the Maritime provinces into the middle of Canada or the West at a low rate of freight. But, a few years ago, when the late government merged the Intercolonial with the commercial railways of Canada, and raised the freight rates to their present position, we found ourselves not only up against a tariff wall, but up against a freight wall, and between the two walls we are being squeezed to death.

[Mr. Logan.]

Let us stress for a moment what happened in the Maritime provinces. Hon. members will pardon me if I go over this matter, not at as great length as I have on other occasions in the House, but to some extent to follow up my arguments. In the Maritime provinces, let it be understood and known, before confederation we were a comparatively rich people. The trade per capita of New Brunswick, let me tell hon. members, in 1864 was almost double that of the provinces of Ontario and Quebec, known as old Canada, and the trade of Nova Scotia was materially greater than the trade of Canada. We owned at that time in Nova Scotia over three thousand ships which sailed out of our ports carrying products of the farms, forests, mines and fisheries. Where did they carry that produce? They carried it especially to the New England states and to the West Indies. We had at that time seventeen thousand of our sons upon the sea, manning ships, sailing through the different waters, particularly those which I have mentioned. We did not desire confederation. Let that also be distinctly understood; and so great an optimist as my very distinguished predecessor in the representation of Cumberland, that great Canadian, Sir Charles Tupper, Baronet, in 1864, three years before confederation, made the statement in the House of Assembly in Nova Scotia that the difficulties of confederation were insuperable. Shortly after that our men met in Charlottetown to form a Maritime union. While there a delegation from Upper and Lower Canada, the greatest galaxy of orators probably that ever sailed the Maritime seas—Sir John Macdonald, Hon. George Brown, D'Arcy McGee, Sir Hector Langevin, and many others of the great political stars of the country—came in upon our little convention, and said, "Walk into our parlor of confederation." The representatives of the Maritime provinces said, "No, there are too great difficulties." They said, "What are they? What are you afraid of." Our representatives said, "We are afraid, first that you will raise a tariff in this country that will by a retaliatory tariff interfere with our trade with that country which nature intended we should trade with, namely the New England states of America. If we are shut out from that market, where are we? Where is our market to come from?" With honeyed words, these orators said, "We will give you a new market to take the place of this market if you should lose it." Our delegates said to them, "How can you give us that market? You are too far away." They replied, "We will build you a means of communication, namely the Intercolonial, in order that if you

lose the United States market you will have a market equally as good in the central parts of Canada." Our people listened to them. They did not however take their word; they insisted it should be in the bond, and if hon. members will read section 145 of the British North America Act they will find set out in that section not only the promised building of the Intercolonial, but the reasons why it would be built, namely to secure the consent of the people of New Brunswick and Nova Scotia to enter confederation. For fifty years the promises given at the time of confederation were fairly well kept. As I say, we did not feel the effect of the National Policy or high protection in this country as long as we were able to send our goods from the Maritime provinces to the West. We used to boast in the young city in which I live that we sent over half of our products to western Canada. We send mighty little of our production to western Canada or to central Canada to-day, because we are shut out of those markets by the exorbitant rates that have been put into effect upon the railways of our country, the Intercolonial included.

It is difficult for us to make the people of the rest of Canada understand our grievance in this matter, and it is difficult for them to know just how sensitive we are. There are many still living that remember the fight for confederation. It is still an unpopular subject to discuss. They know, and we, their sons, know that those solemn promises were made and we know that when the Intercolonial railway ceased to be a part of the constitution of this country and was placed among commercial railways of Canada and under the same rates of freight, a crime was committed against the people of the Maritime provinces. We are here to-day again to ask and demand that those promises made to us in 1864, 1865 and 1866, promises which I could repeat here for an hour if I cared to weary you, must be kept if we are to be at all prosperous and to become the part of confederation that we should be.

Before leaving this subject, let me say that we in the Maritime provinces feel grateful for some things that have been done by this government. Under the old government, our whole road was controlled in Toronto by Canadian Northern officials, men who had no sympathy with us and with whom we did not have much acquaintance. This government has changed that. We have had established at Moncton headquarters for the government railways in the Maritime provinces. They are in charge of a Maritime province man. The general superintendent is a Maritime province man, and equally pleasant is the fact that the general traffic manager is also a Maritime province man. We have, as I say, many things to be thankful for to this government for ameliorating the conditions that existed there four or five years ago. But I want to say now to the government and to the country that until conditions are made better as regards freight rates in the Maritime provinces, not from an economic standpoint altogether, but from a constitutional standpoint, we never can be satisfied in those provinces, and the government is bound to find that out. They found it out in the constituency of Halifax. They found it out in the constituency of Kent. Nobody in Halifax spoke about protection; even the hon. member for St. John and Albert (Mr. Baxter) did not talk protection in Halifax. He did not talk protection in Kent. Why? That would be ridiculous; nobody wanted to hear about protection. But what he did talk about was the grievances of the Maritime provinces, and the people feel those grievances and they must be remedied.

Mr. HOCKEN: Did I understand the hon. member to say that those appointments to executive positions on the railways were made by the government?

Mr. LOGAN: Indirectly by the government. They were made by Sir Henry Thornton and his board, and Sir Henry Thornton and his board were appointed by the government, so indirectly they were appointed by the government.

Having stated the reason for the depression in the Maritime provinces, let me suggest to you, Mr. Speaker, and to this House, some things that may bring back our prosperity. In the first place, we desire export trade. We are, it has been well said, the eastern wharf of Canada. But our export trade has diminished and does not bring to us that prosperity which we formerly enjoyed. Our natural market, besides that of the United States, is to the south of us. We looked, in days gone by, to the United States. That market is closed to us by the Fordney tariff. We then looked to central and western Canada for trade. That market is closed to us by the freight tariff. Where are we to look now? We are to look to the place where we always should have looked, namely, across water transportation to the countries to the south of us. Export trade with the West Indies and with South America should be encouraged in every possible way. Trade with those countries should be built up and looked after. During this winter I

had an opportunity of visiting some of the British West Indies. I desire to call the attention of one or two of the ministers of the cabinet and of the people of this country to conditions as they exist at the present time as regards trade with the islands to the south. In the Bahama islands there is a large population looking to trade with Canada. We have not a trade agent or a commercial agent of any kind at that point. In Cuba, where there should be a great trade with Canada, we have no agent at all. We have not an agent in Porto Rico or Hayti. In San Domingo and San Salvador we have no Canadian agent whatever. We have no Canadian agent in the states of Central America. That is a vast expanse of territory; it is an empire in itself; one can scarcely realize what it means. Before I went down, I thought the Bahama islands consisted of one or two little spots with a little town called Nassau. I went down to find 300 islands, one of them about as large as my native province, with great possibilities for trade, but not a soul there to talk about Canada or to try to get trade with that country. I went down into Jamaica, and found there the only Canadian agent in the whole of that vast territory which extends from the Windward islands across Central America to the Pacific ocean—one solitary person looking over this wonderful expanse, trying to solicit trade. Why, if the matter were not amusing, it would be tragic. What did I find when I reached Kingston, Jamaica —Jamaica with over a million people, Jamaica teeming with prosperity, sending out a tremendous quantity of products? I noticed in a paper sent to me yesterday from there that the United Fruit Company, which already has a big fleet there, are now putting on three 22,000 ton boats to go from New York to Jamaica, exclusively to deal with the trade of that country. And what have we there? We have one trade commissioner, a very decent sort of fellow—I do not want to criticise him personally, because he is a creature of circumstances. He is a solicitor-at-law of the Old Country, who was in Canada, I believe, in some office in Winnipeg connected with the Manitoba government. He saw an advertisement of the Civil Service Commission asking for a trade commissioner. You can imagine how much this Old Country solicitor would know about trade. He took the examination. Of course he could pass the examination, for he was a graduate of Edinburgh University. He went down to Kingston, Jamaica, to sell goods not only to the people of that island but as well to the Bahamas and all the other islands I have mentioned, and to the states of Central America, a country in which there are about five million people who produce everything we want and want everything we produce. When I got to Kingston I went to look for the office of the agent. As I walked down the principal street I saw the consulate of the United States; it was easily observable, for there was on display a large American flag fluttering to the breeze. Although Jamaica is a British country there was no difficulty whatever in finding the office of the American consul, but it was different in the case of the Canadian agent. After making several inquiries I got a boy to come with me to point out the office of the representative of the Canadian government in that large island. At length I discovered him, up in a loft. You go into an old brokendown warehouse, then you walk up a precarious stairway stuck against the wall. It was so unsteady that I thought it would go down with my weight. When I reached the top I found my friend in the loft, an apology for an office without even sufficient light. Here was the representative of the Dominion of Canada. Is that condition to remain? If it is, we might as well bid good-bye to all hope of developing an export trade with that part of the world. Down in the Leeward and the Windward islands, through to Trinidad, the conditions are pretty much the same. There is one trade agent in all that territory, representing the Dominion of Canada, and he is stationed at Bridgetown, Barbados. I met an English traveller coming home, a well-informed gentleman who for seventeen years had been selling woollens down there. It seems a remarkable fact, by the way, that anyone should be selling woollens in the Tropics; nevertheless he was engaged in that line, and he demonstrated to me that they were doing a big business. He stated they had lost some of that business during the war, the United States having got a part of it. He wanted to know what was the matter with Canada that she did not try to do business down there. I asked him what he meant. In reply he said he had been travelling in the Tropics for seventeen years and, whereas in every town of importance he had always found an American consul, whose office was conspicuous, he could never find a Canadian representative. The American consul, he pointed out, was really a trade agent. This gentleman remarked to me: "If I go into any of these offices, I find American pamphlets and circulars, catalogues and price lists; there are evidences that the American consul or trade agent is in touch with the people all over the country in his vicinity. When I go into a commercial house to sell goods I find these catalogues on the desks, and very often there

is an American traveller at the other end of the desk selling his goods. On the other hand, in seventeen years I have seen only three Canadian travellers in this country." That is what I was informed by this gentleman; and of these three travellers that he mentioned, one sold flour—and I am bound to say that our flour has practically sold itself down there—the other sold rye whiskey and the third Frontenac beer. What hope is there that we shall ever develop any great business in that part of the world under such conditions? Let me go further. Take the banana industry: I found on inquiry at the Customs department to-day that we imported into Canada last year over two million bunches of bananas. You will be surprised to learn, Mr. Speaker, that of that quantity there came through Canadian ports only twenty-seven thousand bunches. I was anxious to ascertain how the Maritime provinces with their winter ports were affected in connection with these imports. In the month of March last year, I found out, not a single banana came into Canada except through the United States; in the month of February there was not one; in the month of January one lone bunch came into this country through a Canadian port, the reason, I suppose, being that the men on the boat might have no excuse for singing "Yes, we have no bananas." With such winter harbours as Halifax and St. John, and with the Canadian Government Merchant Marine sending ships across the seas, how is it that only one single bunch of bananas came into this country through a Canadian port in the months I have mentioned? They come through New York and Boston; the fruit is sold in those places and shipped to Montreal, whence it is distributed throughout this country. I do not think there is any doubt about the fact that the best bananas are grown in Jamaica; they grow wild everywhere in that island. Millions of bunches of bananas are raised there. No fruit is more easily produced, and the flavour is excellent. I left Kingston, Jamaica, and came to Halifax, Nova Scotia, I asked at the dining table for a banana. The banana given me was Jamaica fruit, but I find it has come through New York; had been shipped from New York to Montreal, and from Montreal over eight hundred miles by rail to Halifax, although we are so near to Jamaica at Halifax. Why should that condition continue in this country? What is the history of the banana industry? About fifteen years ago an effort was made to ship bananas into Canada. It was found at that time that the space on the ships sailing from that country to Canadian ports was invariably taken up by the United Fruit Company of the United States. That company would go to the agent of a line sailing to Halifax or Montreal and would engage all the space available, but they did not use the space purchased. They did that in order that no trade might be created along this line and then any charge for freight could be imposed. After a while the people almost rose in rebellion and a company was formed to operate a ship of their own. They did manage to get some bananas into Montreal but when they got there they discovered that, the day before, the United Fruit Company had flooded the market, reduced the price and so put them out of business. The result was that over a million dollars was lost in that venture.

What is the remedy? Well, there are two remedies. First I would suggest to the Acting Minister of Finance (Mr. Robb) that he put a duty on all bananas coming into Canada except direct from the place of origin, that is to say, bananas coming into this country from the United States I would have subject to a duty, but leave bananas absolutely free so long as they come from the West Indies or any other part of the British Empire. That is one way in which we can do something to cope with the United Fruit Company. What should be the reply to the man in Jamaica who says that he cannot stand up against the competition of the United Fruit Company through fear of being put out of business? The reply ought to be that we in Canada, with a merchant marine of our own, will fit these ships in such a way that they can carry bananas, and so we can defy the United Fruit Company. That can easily be done. We have spent about $70,000,000 building a merchant marine, and this fleet is costing us between six and seven million dollars a year in the way of deficits. I submit now that the government should hold a round-table conference, not of politicians or of men who are interested in other steamship companies but of men who are capable of dealing with this question, to consider what can be done with the merchant marine to further such trade as I have mentioned. The boats are very good. I came up on the Canadian Fisher, a good boat which could not have a better captain or more capable officers. But unfortunately we were like a chip on the top of a wave; we did not have any cargo coming from that country. Why? Principally because we have not any cold storage facilities. Now, in 1920 we entered into an arrangement known as the Canada-West Indies Trade agreement with a view of facilitating trade with the British West

Indian countries. Under that agreement those countries are paying considerable amounts of money—Barbados, £5,000; Windward Islands, £2,500, and so on; and in the Western group they are paying equally large amounts. But they say that we have not really carried out the terms of our agreement. We undertook to provide cold storage if it could be done without unreasonable additional cost. That proviso may be a very good way of getting out of it, but the people down there are dissatisfied with this agreement. Everywhere I went in the southern countries I found that the people did not have any love for the United States, they want to trade with us. But they say they cannot trade with us on account of our failure to provide the necessary facilities for the shipping of their goods to this country. So I submit that men who are competent to deal with the matter, I care not from what part of the globe they come, should gather round a table, go into the question and find out whether the ships of our merchant marine cannot be so altered as to permit the carrying of goods from and to our ports. Incidentally the government should say to Sir Henry Thornton and his board—they should exercise at least this much control over the railway authorities; and this bears upon the question that is worrymy friend from West Toronto (Mr. Hocken)—that no more Canadian government ships shall carry goods to or from American ports; that they shall carry goods from Canadian and to Canadian ports, rather than carry Canadian goods which are shipped out of this country through the United States. Surely the wisdom of men who know about shipping could be devoted to the task of so changing these ships as to provide the facilities to which I have referred. I mention bananas as only one article affected; it applies to practically everything else. The people of the West Indies want nearly everything we produce; they want our potatoes, our grain, our cattle and particularly our fish; but owing to the inadequacy of transport facilities, trade lags and there is not sufficient business done to be of any considerable benefit to us. If we cannot transform these vessels of the Canadian government Merchant Marine into carriers of goods to and from Canadian ports, then I say let us scrap or sell the whole fleet and either subsidize or hire or build other ships, in order that we may get after this trade which is at our door and is only waiting our coming after it. We give the people of the West Indies a fifty per cent preference in our tariff, but I suggest that it would be a good thing for this country if under a reciprocal arrangement we admitted the goods of the British West Indies free. No harm could be done to any industry here, because the imports would consist largely of fruits or other commodities which are not produced in Canada. I submit also to the Minister of Trade and Commerce (Mr. Low) that if we are to get business it is necessary that we go after it. He is a very able and successful business man; if he had a large factory in Renfrew from which he desired to sell goods in other parts of the world, what would be the first thing he would do? He would send travellers to those places to push the sale of his goods. We cannot sell goods in the British West Indies or in any of the other countries to the south of us, I care not how much they may need what we produce, unless we send people there to sell the goods for us. We should have in the West Indies not one lone trade agent in Kingston, Jamaica, sitting up in a loft; we should have agents in every important place in the West Indies—in Nassau, in Jamaica, in British Honduras, and not only in the British possessions, but in Cuba, and the ports of Central America. If we have any desire to promote trade with the countries I have mentioned, we should have agents there to advertise our goods.

I admit that the development of this trade would be of particular benefit to the Maritime provinces. We need that trade; we are so situated that we could develop it as it was developed in the days before confederation and before we were burdened with the high protective tariff which has built up the central part of this country, very largely to our detriment.

Protection in Canada has, I submit, always tended toward centralization of manufacturing and of banking—because the banks will follow the big business of the country. At the time of confederation we had in Nova Scotia fourteen banks and fourteen sets of directors who knew our conditions and had the interests of our province at heart. These banks are gone; they have followed the business of the country, which has been centralized in Toronto and in Montreal. I do not deny that there is prosperity in central Canada, but in Heaven's name let us sometimes breathe other air than that of St. James street. Let us turn our minds to the open places of this country; let us realize that the Maritime provinces are just as important as any other part of Canada and that the western country, represented by our friends across the way, is also important, particularly in view of the riches which should come from its soil.

There is a general misunderstanding with reference to the duty upon coal as it affects

the Maritime provinces. Incidentally, it is very annoying to be told, particularly by people in this part of Canada, that we in Nova Scotia should not kick about protection because we have protection as applied to our coal, iron and steel industries. Well, those who say that do not know what they are talking about, and it is necessary to be continually denying what they say through their lack of knowledge. I shall not go into the details of the iron and steel industry; that can be done much better by others who know the conditions pertaining to that industry. Suffice it to say that the average duty on iron and steel and their products is about 12 or 13 per cent; and no one can call that a protective tariff.

Let me refer for a moment to the question of coal. I shall trace briefly the history of the tariff on that commodity. Away back in 1879 there was a duty on all coal, bituminous, anthracite and slack, of fifty cents a ton. That duty remained on anthracite coal for a considerable number of years, but for some reason that I have never been able to discover it was taken off anthracite coal in 1887, and subsequently anthracite dust, as they call it, was made free. Why the poor fellow who is burning bituminous coal pays a duty upon it while the man who is much wealthier and who burns anthracite pays none, is something which I, as a tariff-for-revenue man, cannot understand.

The duty, as I say, was taken off anthracite coal entirely in 1887. Under the Fielding tariff there was a duty of 53 cents a ton—that is, the short ton—put upon bituminous coal. Why it was made a specific duty I know not. In 1923 lignite was made free. The duty upon coal at the present time is as follows: On bituminous round coal, there is a duty of 53 cents a ton. On slack coal, that is coal that runs through a certain mesh —three-quarters of an inch, I think it is—there is a duty of 14 cents a ton. Anthracite pays no duty whatever, nor does anthracite dust. If the 53 cents per ton were paid on all bituminous coal imported into this country, it would be a little better than the situation actually is now; but what are the facts? These facts cannot be controverted: Coal is bought at a colliery in the United States. At that colliery they have sifting appliances for sifting out the fine coal. It is put through a larger mesh perhaps than three-quarters of an inch, but any rate a considerable amount of that coal comes into Canada as slack coal, and therefore pays a duty of only 14 cents a ton, while the balance pays a duty of 53 cents a ton. But as soon as they get the two qualities into this country, they mix them, and the mixed product becomes once more run of mine coal. I think that is a fraud on the customs. The customs officials should see to it that run of mine coal imported from the United States really pays 53 cents a ton duty. But even if it did pay a duty of 53 cents a ton, nobody could claim that that was protection. I do not believe in specific duties. Ad valorem duties are, in my humble opinion, much more reasonable and much more just. Take, for instance, this one particular case. When the duty of 53 cents a ton was put on, coal was selling for $2.20 or $2.25 a ton. It was a reasonable duty at that time, not much more than what we ordinarily think of as a tariff-for-revenue duty. That was a fair tariff upon coal. But coal to-day has more than doubled in price, yet the tariff of 53 cents per ton remains exactly the same, and the duty is now only about 9½ per cent ad valorem. That is it would be if the coal were brought in in the right way as run of mine; as a matter of fact, if you will take the amount of coal brought into Canada last year, and the total amount of duty collected on it, you will find that the duty paid on bituminous coal imported into Canada last year was about 6½ per cent. Yet people are continually saying that we have protection on the coal of the Maritime provinces and of western Canada. Mr. Speaker, 6½ per cent is not a protective tariff at all; it is not even a tariff for revenue. I am not asking for a high tariff on coal, but I am asking that the duty be put back to the point where it was intended to be in 1897, or even 16½ or 17 per cent, a duty which we generally look upon as a tariff-for-revenue duty.

I am going now to put before the House some other facts in reference to the coal question which I think deserve our serious consideration. What we want in Canada, I submit, is a Canadian coal policy. We can never be independent of the United States until we are self-contained so far as coal is concerned. Up until the present year there has been a strong argument against our independence along that line. The objection was that people could not burn bituminous coal in certain cities on account of the smoke nuisance, and that they must therefore secure anthracite no matter what the cost and no matter what the duty. But it has been demonstrated within the last two or three months by the Canadian Fuel Board that the bituminous coal of Canada, if properly treated and made into a coke, produces a fuel equal-

ly as good as the American anthracite. So the old argument against bituminous coal, the old horror that the people had against the smoke, has passed away, and now we have a substitute for anthracite which is equally as good as anthracite.

We imported into this country last year—and these figures are well within the mark—coal to the value of over $100,000,000. Of that about 14,000,000 tons was bituminous coal and 5,000,000 tons anthracite. In converting bituminous coal into coke, one-and-a-half tons of coal are required to make one ton of coke; so if we had desired last year to replace the five million tons of anthracite brought into this country with coke, it would have meant the mining of an additional 7,500,000 tons of bituminous coal in this country. Therefore if we had a policy by which this country could be made self-contained so far as coal is concerned, we would not only prevent the importation of 14,000,000 tons of bituminous coal each year, but by making coke to take the place of anthracite, we would add 7,500,000 tons more to that 14,000,000 tons, making a total of 21,500,000 tons of extra coal mined in this country to replace the American coal now imported. We are producing about 18,000,000 tons, but if we had a proper coal policy we would add I repeat no less a quantity than 21,500,000 tons of coal mined in this country, which, at a price of $5 a ton at the mines would mean to the miners and operators and all those connected with the collieries, no less a sum than $107,500,000. In addition to that, we would have transportation costs paid to the Canadian National Railways, at say $4 per ton, amounting to $86,000,000, which would also be left in Canada to help the people of this country. Further, let me point this out. When we buy $100,000,000 of coal in the United States we have to pay in exchange, according to the rate that is being charged to-day, no less a sum than $3,500,000 of good Canadian money. That money goes in exchange, and might just as well be thrown into the sea. If you add the saving in exchange to the extra amount which would be spent in Canada for producing the coal and add to that again the cost of transportation which would be paid to Canadian railways, you get a total amount of good Canadian money which would be left here of nearly $200,000,000.

New, let me just refer again to discount on exchange. We pay it largely because we are buying so much from the United States of America. If we could reduce the amount we are paying to the United States by that $100,000,000 which we paid for coal imported last year, in all probability we would have had par money in this country at the present time, because that would have helped to bring the imports and exports as between the two countries almost to the same level. If we did that we would save the exchange upon the whole purchase price of articles other than coal brought into this country from the United States, amounting to about $520,000,000. A rate of three and a half per cent on $520,000,000 would represent over $18,000,000 more saved to the country.

Now, Mr. Speaker, how is coal independence to be secured? One way of bringing about that most desirable result is to provide transportation for our coal at a reasonable rate. Last year the Mines committee of the House dealt with this matter. We listened to a great amount of very valuable information from different persons in reference to coal and the transportation thereof. We had before us transportation men, we had freight agents, we had traffic managers, we had all kinds of officials to advise us as to how we could handle coal. We also had before us some men who were not connected with any transportation company. For example, there was Mr. M. J. Butler, formerly deputy minister of railways in this country, who afterwards became general manager of the Dominion Iron and Steel Company, and subsequently was connected with the Armstrong-Whitworth Company, one of the largest concerns in the British Empire, a man of outstanding ability. He put before us arguments which I will not go into but will condense in this way: He said that instead of it costing us $9 or $12, which is the price to-day I believe, for transporting coal, from Edmonton or even west of that city to Toronto, coal could be put in Toronto for $4.57 a ton; that was he contended the actual cost of it. Mr. Butler was not a man picked off the street but a gentleman of knowledge and of standing in the country, and he put this statement in concise form before us. He, of course, made a condition that I submit is the crux of the whole matter, that if we are going to transport coal cheaply it must be done with proper equipment; it is no use trying to transport coal in broken-down equipment. Let me use his own language on that point:

> To begin with let us eliminate the "know it can't be done type." Let us also eliminate the traffic officers who are making rates, predicated before using, small coal cars, box cars, old weak locomotives, with small train loads— or mixed train loads, with a few cars of coal to fill up the tonnage.

It is I think clear, that the problem is one that demands that the equipment, from beginning to end shall be adequate to handle the tonnage at the lowest cost, but not at a price that the railway will suffer.

The argument that Mr. Butler makes is that we must provide the equipment in order to carry coal, and if we do that there will be a very material lessening in the cost. Therefore I submit to the government they should immediately appoint a commission, to consist of not more than three men, to make a report to the House as to the actual facts in reference to the cost of transporting coal. I am not talking about the question of income. of net revenue or gross revenue; I want to know what it actually costs to transport coal in Canada. It is almost impossible to get that knowledge from a railway official. One man may be charging $5 and it is difficult for him, perhaps, to explain the discrepancy if the cost is only $3. Then we must remember there is always a certain amount of hesitancy on the part of officials of competing companies to disclose information which might affect either corporation. What we want to do is to get down to the actual cost of carrying coal. Mr. Butler informed us that the Virginia railway is carrying coal at a very low rate, and upon that rate he has founded the rates which could be made by the railways of Canada. I therefore submit that a commission should be appointed to inquire into this matter. I would suggest that Mr. Butler be made chairman of the commission, and that a man from Alberta and a man from the Maritime provinces should be associated with him. This commission should be given power to go down into the territory of the Virginia railway where these rates exist—and, mark you, the grades there are higher than we have; do not forget that, the grades in Virginia add nothing to their advantage that I can see—the commission should also investigate the transportation costs of the Norfolk and Western, and the Chesapeake and Ohio, and the Illinois Central. In this way, I believe, it can be established what is the actual cost of carrying coal. I believe myself that if this inquiry be made it will establish that coal can be carried, from the Maritime provinces for instance to the province of Ontario, for not more than $2 a ton at the very outside. We used to pay $1.60 six or seven years ago from the Cumberland mines, Nova Scotia, to Montreal. The present rate is $3.60 or $3.80. I want to know what the actual cost of carrying that coal is, I do not want it from any railway official, I want it from a man who is independent of all transportation companies and not concerned in the importation of American coal. I believe we can do that by carrying out my suggestion; I believe we can get down to the very basis of the matter, get down to rock bottom, and find out what the transportation of coal costs. We shall then know what percentage ought to be allowed to our railways in order to enable them to make a profit.

I am now going to refer to another matter which I think is important to the Maritime provinces, and indeed to all Canada. In the Speech from the Throne it is mentioned that it is proposed to make every effort to develop still further the policy of Canadian trade via Canadian ports. Last year the Minister of Finance brought down a measure giving ten per cent reduction on British goods when imported through Canadian ports. I shall not now discuss whether that policy was right or wrong. There is a strong argument being made by the woollen people of this country that owing to the present depreciation of English currency, the unemployment situation in the United Kingdom, and the lower labour rates—as a result in a word of the operation of the law of supply and demand—that we, perhaps, made a mistake at that time in lessening the duty on woollen goods entering Canada. I am not now going to discuss the pros and cons of that question. What I want to argue is that the government should go the whole way and confine the British preference to goods brought in through Canadian ocean or river ports. I may say, however, that even with the ten per cent reduction in duty a marvellous diversion of shipments has been made to Canadian ports since the last budget. I have not the figures relating to this matter at the present time, but I presume they will be presented to us when the budget is brought down. I cannot see myself, any reason why we should not follow the historic policy of the United States and confine this preference entirely to goods brought in through our sea and river ports.

In the Speech from the Throne a reference is made to the Imperial Conference and the Imperial Economic Conference held in London last year. I have listened with a great deal of interest to the speakers who have so far taken part in this debate. I believe they all think as I do, that this is a serious time in the history of our country. Perhaps it would not be out of place to paraphrase in this connection, the motto which is given to students when striving to acquire a knowledge of typewriting: "Now is the time for all good men to come to the aid of the country." This is a good time for us to consider these matters seriously, because it is a serious time in the history of our land.

But I do resent one statement and that was the attack that was made during this debate on the Prime Minister of this country (Mr. Mackenzie King), for not taking part, in the recent general elections in Great Britain on behalf of Mr. Baldwin's preferential tariff. I want to point out that, in my humble opinion, such interference in the British elections would have been resented just as strongly as would interference by the British prime minister in an election campaign in Canada. What are the facts? The Imperial Conference was called by the Baldwin government. The Dominions responded to the call and journeyed to London. After many weeks of conference it was agreed by the government of Great Britain to extend the preference on certain products of the Dominion. This was promised from the Old Land to sister nations in this great British commonwealth, and I insist that these promises are binding upon the homeland. Are we to be told that the British parliament which, a few years ago, although the great majority thereof was hostile to home rule, carried out an undertaking of its predecessors, and thus kept faith with southern Ireland, is going to break faith with Canada and the other sister nations? I refuse to believe it. The Baldwin government entered into a certain agreement with the United States before they went out of power, extending the right of seizure beyond the three-mile limit. Will anyone suggest that the Ramsay MacDonald government is not going to carry out to the letter its agreement with its predecessors in office. Surely we are to be treated as well, at least, as foreign nations. If not, then our faith in future imperial conferences is going to be materially lessened. So far from the Prime Minister of the country being criticized for not taking part in that election, I am sure he should be praised for the silence he maintained.

I want to advocate before I take my seat that the railway department of this country —and I now direct my remarks principally to the Minister of Railways (Mr. Graham), to Sir Henry Thornton and his board—should endeavour to carry more produce and more exports to Canadian ports. I desire to make an argument, Mr. Speaker, upon this line, following the statutes that have been passed in this country. I think we sometimes forget about them. Let us go back to 1903 and refer to page 455 of the statutes of that year, being 3 Edward VII, Chap. 71, an Act respecting the Construction of a Canadian National Transcontinental Railway. It ratified and confirmed the agreement between His Majesty and the Grand Trunk Pacific Railway Company, which agreement forms the schedule to the act. The agreement recites among other things—and bear these words in mind—that the object is—

> To secure the most direct and economical interchange of traffic between eastern Canada and the provinces west of the great lakes, to open up and develop the northern zone of the Dominion, to promote the internal and foreign trade of Canada, and to develop commerce through Canadian ports.

Section 42 reads:

> It is hereby declared and agreed between the parties to this agreement that the aid herein provided for is granted by the government of Canada for the express purpose of encouraging the development of Canadian trade and the transportation of goods through Canadian channels. The company accepts the aid on these conditions, and agrees that all freight originating on the line of the railway, or its branches, not specifically routed otherwise by the shipper, shall, when destined for points in Canada, be carried entirely on Canadian territory, or between Canadian inland ports, and that the through rate on export traffic from the point of origin to the point of destination shall at no time be greater via Canadian ports than via United States ports, and that all such traffic, not specifically routed otherwise by the shipper, shall be carried to Canadian ocean ports.

Section 43 reads:

> The company further agrees that it shall not, in any matter within its power, directly or indirectly advise or encourage the transportation of such freight by routes other than those above provided, but shall, in all respects, in good faith, use its utmost endeavours to fulfil the conditions upon which public aid is granted, namely,—the development of trade through Canadian channels and Canadian ocean ports.

Section 45 provides:

> The company shall arrange for and provide, either by purchase, charter or otherwise, shipping connections upon both the Atlantic and Pacific oceans sufficient in tonnage and in number of sailings to take care of and transport all its traffic, both inward and outward, at such ocean ports within Canada, upon the said line of railway, or upon the line of the Intercolonial railway, as may be agreed upon from time to time, and the company shall not divert, or, so far as it can lawfully prevent permit to be diverted, to ports outside of Canada any traffic which it can lawfully influence or control, upon the ground that there is not a sufficient amount of shipping to transport such traffic from or to such Canadian ocean ports.

Now, Mr. Speaker that was the statute confirming the agreement, with the company known as the Grand Trunk Pacific Railway Company. Upon that agreement the people of the country have spent directly and indirectly on the National Transcontinental railway, in assistance to the Grand Trunk Pacific and in other ways, probably three or four hundred million dollars. That is the basis upon which it was spent, and that provides that the trade should not be diverted from Canadian ports. Now, a large part of the country in which wheat originates is in the Grand Trunk Pacific territory and a very large part is in the old Canadian

Northern Railway system territory. Let me refer to an act relating to the Canadian Northern Railway system. This is known as an Act respecting the Canadian Northern Railway system, statutes of 1914, page 135, being the Act 4-5 George V, Chapter 20. The act provides for aid by the government of Canada to the company by guaranteeing its bonds to the extent of $45,000,000. That is, the old Canadian Northern Railway Company. Many hon. members in this House will remember when the statute was enacted. That statute confirms the agreement annexed which is set out. Section 6, paragraph (a) provides as follows:

That at all times hereafter all freight originating on the lines of the Canadian Northern or on the lines of any of the constituent companies, or on any line or lines of railway now or hereafter owned, leased or operated by the Canadian Northern or by any of the constituent or subsidiary companies, their successors or assigns, shall, when destined to points in Canada, be carried over the lines of the Canadian Northern or of the constituent companies or over some other Canadian railway or railways (which term shall include the line operated by the Canadian Pacific Railway Company between Montreal and St. John) and that the through rate on export traffic from the point of origin to the point of destination shall not be greater via Canadian ports than it would be via United States ports; and that all inward and outward ocean traffic shall be carried to Canadian ports, and that the Canadian Northern and the several constituent and subsidiary companies shall not in any matter within their power or control directly or indirectly advise or encourage the transportation of any such freight by routes other than those above provided, but shall in all respects in good faith use their utmost endeavours to further the development of trade through Canadian channels and Canadian ports.

Mark you, according to the Grand Trunk Pacific agreement they must carry all goods not otherwise routed; but in the statute effecting the Canadian Northern it was not stated in that way, and they were compelled to carry freight on that line whether routed or unrouted, to and through Canadian ports. I did not know until a few weeks ago that the statute existed and I was rather surprised to find it. There are the facts. Does the government, with Sir Henry Thornton and his board, say that what this agreement imposed upon the company is not to be carried out? If the government imposed upon the Canadian Northern, when they were guaranteeing the $45,000,000 of bonds the condition that every pound of export freight should be carried out of Canadian ports, can this government which took over the Canadian Northern railway system do less than the Canadian Northern were compelled by statute to do?

Mr. GRAHAM: This government did not take it over.

Mr. LOGAN: I do not refer to this government; I refer to any government. The government of Canada at the present time owns and is operating the Canadian Northern railway through Sir Henry Thornton and his board. My contention is that if the government of Canada compelled a private company to accept that statute, they reasonably should be compelled themselves to carry out the terms of that statute. Surely, these provisions were not inserted in the statute merely for the purpose of imposing burdens on a private company. They were inserted as the embodiment of a great national idea, of carrying Canadian trade by Canadian channels and through Canadian ports. That idea was often and eloquently preached by our great leader, Sir Wilfrid Laurier.

When the late government handed over the control of the Canadian National railway system to the board of which Sir Joseph Flavelle was head some years ago, the board was evidently given a free hand to disregard the provisions of that statute which I regard as a parliamentary compact binding upon the Canadian National Railway Company and the successors of the Canadian Northern, Grand Trunk Pacific and the Grand Trunk, because the Grand Trunk was the guarantor of the Grand Trunk Pacific and assumed its liabilities. Sir Henry Thornton, I am afraid, is following the precedent set by Sir Joseph Flavelle of ignoring the provisions of acts of parliament. The Maritime provinces have, in my opinion, a right to demand that the parliamentary compacts shall be carried out in good faith.

It is rather important to keep in mind that any net earnings of the Grand Trunk system over fixed charges do not go into the Canadian treasury, but under the agreement made by the former government they will go to pay interest on the $35,000,000 or £7,000,000 sterling, of bonds of the Grand Trunk Pacific Railway Company guaranteed by the Grand Trunk. Is it right or fair in the interests of national unity to starve the system in Canada leading to Maritime province ports, and to divert Canadian traffic to American ports for the benefit of investors in the companies which defaulted in their obligations to the Canadian people?

Again referring to the operation of the government railways, I am sure we desire to congratulate the railway board on the financial statements they are able to put before the Canadian people. I think I can say that we in the Maritime provinces are pleased to have a different class of management from that which we had under the old government

but one thing which we in the Maritime provinces object to most strenuously is the placing upon our road of spotters to catch respectable and decent servants of that road, men who have been working there for thirty-five or forty years, and to deprive them of a right which I consider is a vested right under the Provident fund which applies to them. What are the facts? In the last few months spotters came upon the road, and as a result several of our oldest conductors have been dismissed, without trial, without counsel, without a jury. And this in a British country! I say it is wrong. If these men are guilty, they should be punished as any other man who is a defaulter is punished; but they ought not to be deprived of their pension as well as their position, upon the word of men who are not cross-examined and who are not before a proper court. As one of the representatives of the Maritime provinces, I want to protest as strongly as I can against this kind of work in respect to trusted employees. I have in mind at present a conductor who is sixty years of age, with thirty-eight years of service on the road. He was brought up on the evidence of these spotters. I read the evidence that was given before the superintendent at Moncton, and it showed that the total amount which they claimed this man had taken was about $4, consisting of small amounts, twenty, twenty-five and forty cents which he very reasonably could have forgotten to put down in the hurry of a short trip. And this conductor was entitled at that time to a pension of over $60 a month for the rest of his life. Where is he to-day? He has been ignominiously dismissed from the road. His people can be charged with being related to a man who has been stealing. In spite of the fact that he gave a boy to the war, that he has an invalid wife and a blind father to support, he is thrown on the world to-day without a cent. That is wrong, and no country, I care not where it may be, can defend such action. No democratic government can defend it. This matter should be rectified at the earliest possible moment and these grievances should be adjusted.

I should like very much to speak upon some other matters affecting particularly the Maritime provinces, but I see that the time is passing very rapidly and I must now draw these remarks to a close. I think I may say for the Maritime provinces that what we want is to get back to the old Laurier policy of tariff for revenue. It was a good enough policy to make this country rich, let us get back to it. The principle of protection is wrong, but there will be sufficient protection in any tariff for revenue in this country at the present time to give reasonable protection to Canadian industries. We have had a trial of high protection. It has not succeeded. Let any man in this House, I care not how great a protectionist he may be, come down to the Maritime provinces and go through the counties of Cumberland, Colchester, Hants, Kings, Digby, Annapolis—the Annapolis valley, the land of Evangeline—down through Yarmouth and around that beautiful south shore, and thence to other parts of our provinces and I am convinced that he must say that whatever high protection may have done for Montreal, Toronto and a few other cities in Canada, it has been a blight upon the provinces down by the sea. What we desire to get back to is a tariff for revenue. I am not a free trader; I realize that there have been built up under this protective tariff industries that we must be careful at the present time not to injure. But I believe if we get back to the policy of "tariff for revenue", if beyond that we endeavour to remove the duties from implements that are used in the development of the natural resources of this country, we shall give the people an opportunity to grow and the country to develop, we shall bring prosperity where there is no prosperity to-day.

In conclusion, we in the Maritime provinces are not at the door of parliament as mendicants or beggars. We hold our heads high as Canadians. We are not here to ask for the repeal of the union, although I am bound to tell you, Mr. Speaker, that sometimes I think if a man of the Maritime provinces were at this time to throw energy and ability into this matter, he might create a great deal of trouble in regard to confederation. I do not want to become a secessionist. I am a Canadian all the time; but before I am a Canadian, I am a Maritime province man because, in the language of one of England's best poets, that country to me is a "dearer, sweeter spot than all the rest." We ask that the promises that were made to us be kept, we ask that our conditions be properly understood, that those in authority come down among us and see the possibilities there, if only we had a chance to develop them. We ask for nothing but justice within this confederation.

Mr. H. C. HOCKEN (West Toronto): Mr. Speaker, we have listened to a most informative address from the hon. member for Cumberland (Mr. Logan) in which he has explained all the miseries of Nova Scotia under the present government.

Mr. MARTELL: As a result of the administration of the old Tory government.

Mr. HOCKEN:—under the present government. There was one point in the hon. member's speech which I should like to have cleared up if possible. I entirely sympathise with him in his desire to have the coal of Nova Scotia sold in the province of Ontario. But I have been informed that the coal owners of Nova Scotia have an arrangement with those of Pennsylvania that the Ontario, and part of the Quebec, market shall be left to Pennsylvania in return for the privilege of sending Nova Scotia coal into the New England states.

Mr. LOGAN: I can readily tell the hon. gentleman that he is absolutely misinformed; no such understanding exists.

Mr. HOCKEN: I am glad to hear that statement from a man representing that part of the country, and I accept it. I shall endeavour to show before I get through that, if the hon. member will agree to assist in a certain policy, the coal of Nova Scotia can be made saleable in the province of Ontario even up to Windsor.

Now, Mr. Speaker, I trust that those congratulations which I am expected to offer will be "taken as read," as also my condolences to the ministers who are ill. We shall thus save so much time. We have listened during the last two days of this debate to two interesting addresses, one from the hon. member for St. Lawrence-St. George (Mr. Marler) and the other from the hon. member for King's, P. E.I., (Mr. Hughes), one entirely contradictory of the other. With one of these speeches I agree to a great extent, believing it to be reasonable; with the other I do not agree.

Mr. GRAHAM: Which one?

Mr. HOCKEN: I will tell you later. This is not surprising, Mr. Speaker; the same thing has been happening ever since the first session of this parliament. For example, we had an address from the ex-Minister of Justice (Sir Lomer Gouin) declaring for the Laurier protective tariff, and in the same session we had an address from the Minister of Finance (Mr. Fielding) informing us that the government was working in the direction of free trade. Then we had an address on the National Railways from the hon. member for St. Antoine (Mr. Mitchell) in which he attacked the principle of public ownership of railways vigorously, with a reply from the hon. member for North Waterloo (Mr. Euler) defending the public ownership of railways. And so we come by natural course to the present debate and find two members of the government party singing entirely different songs.

I have a good deal of sympathy with the hon. member for St. Lawrence-St. George, and I approve of a good deal that he said. The hon. member declared himself a moderate protectionist, and he has given us a phrase which I think will stick, and become a permanent part of our political vocabulary: he said he stood for a "cost of living tariff." That was a palpable hit, and I want personally to thank him for the phrase. It exactly indicates my attitude on the tariff, as he said it did his. I think it is quite possible that under a protective tariff some industries might get more protection than they should be given. I have said that elsewhere, and if the hon. member for Brant (Mr. Good) were in his place he would remind me of it. So that I am entirely in agreement with the hon. member when he suggests that there should be a tariff board with power to go into the cost of production in connection with any particular industry, and ascertain in that way whether the protection afforded in any one case was greater than necessary to maintain the industry concerned, with a reasonable percentage of profit. The last thing in my mind is to make it possible for our manufacturers to earn excessive profits. Wherever anything of the kind can be shown I for one shall be willing to have the tariff reduced. I think Mr. Speaker, that the hon. member for St. Lawrence-St. George made a real contribution to the present debate. I expect before the debate closes to hear from the hon. member for Brantford; I fancy that a speech is about due from him on this question of reducing the tariff on agricultural implements.

Coming now to the hon. member for King's, it strikes me that his speech was very similar to the utterances he has been making here for twenty years. It was a platitudinous and pointless dissertation upon nothing, a re-hash of old worn out free trade theories. The hon. member has been making that kind of speech so long that it has lost any flavour even among the members of his own party. He charged, quite unfairly of course, but characteristically, that the right hon. the leader of this party (Mr. Meighen) had advocated a lower tariff on agricultural implements; and he represented that as a justification for the present proposed reduction. He did not tell the House, although he had been informed in the course of the debate, that, when the leader of this party proposed that reduction, the tariff on agricultural implements was twice as great as it is to-day; and moreover, that the suggestion made by my right hon. leader has been adopted since he made it, the tariff to-day being a little less than half what it

was at that time. That, I think, will indicate rather a spirit of unfairness on the part of my hon. friend, which is regrettable. But I should not expect much different from my hon. friend from King's. The hon. gentleman told us in the course of his remarks that he could not understand plain English. He quoted from an address made by a senator in Toronto to the following effect:

> The term "protection" may properly be applied to a variety of national activities. For example, the British navy is more of a protection to British commerce than the tariff.

The hon. member for King's, having quoted that statement, informed the House, "I do not know what that means". He goes on to say:

> Of course, I do not lay claim to any great amount of intelligence—

And with that candid confession I think the House will entirely agree. He went further and blamed the protective tariff of this country for the difficulty in which the people of Prince Edward Island find themselves in selling their potatoes in Boston. Now, it was not the tariff that the Canadian parliament enacted that had anything to do with the sale of Prince Edward Island potatoes in Boston; it was the Fordney tariff that prevented the people of that province from selling their product. They cannot sell their potatoes, either baked, peeled or hashed-brown in Boston because there is a duty against them of 30 cents a bushel. But like good Canadians, the people in Prince Edward Island met the situation with a resourcefulness that is greatly to their credit, as the hon. member told us. If they could not sell their potatoes for table purposes they grew potatoes for seed purposes, and are now making more money selling seed potatoes in Cuba than they did selling them hashed-brown in Boston. I do not think, therefore, that the hon. gentleman has much to complain of, and the argument is rather a comical one for him to make.

Mr. MacLEAN (Prince): If the hon. gentleman will permit an interruption, it is the table stock we sell in Cuba. We are compelled to sell our seed potatoes in the American market, with the present duty.

Mr. HOCKEN: Well, I accept the hon. gentleman's explanation. It only confirms my belief in the ignorance of the member for King's, P.E.I., because I am quoting exactly what he said.

When I read in the Speech from the Throne that paragraph which stated that such reduction of taxation as it might be possible to effect should aim primarily at reducing the cost of the instruments of production in the industries based on the natural resources of the Dominion, I had a great deal of sympathy for the member for Brantford (Mr. Raymond). That clause in the Speech from the Throne has been interpreted by the newspapers to mean the elimination of duties on agricultural implements. The mayor and the city council of Brantford have interpreted it the same way. There has been no protest from the government benches against that interpretation, so I assume that it is correct and that the duty is to be removed from agricultural implements. That would make any person sympathize with the hon. member for Brantford, because he was elected to this House upon a promise to increase the duty upon agricultural implements. And in that he was supported by the Prime Minister, if not in exact language, at least by inference. As reported in the Globe newspaper of November 25, 1921, the present Prime Minister said at Brantford:

> "I am not in favour of free trade, nor is the Liberal party." What Canada needed was not to be led to a barren, rocky shore but to the hearts of contentment and happiness and contented homes. This would be the aim of the Liberal party when returned to power.

I can imagine the people of Brantford today enjoying that feeling of contentment and happiness as they anticipate the shutting down of those industries from which they get their livelihood—because the removal of the duty from agricultural implements will certainly destroy the prosperity of Brantford and probably drive out of that city several thousand people. It is perhaps the most critical point in all Canada with regard to agricultural implements. In Toronto about ten thousand families live upon that industry, but the loss of ten thousand families from Toronto would not be a matter of great moment. It would represent only about one year's annual increment of population. The loss of Hamilton would probably be three or four thousand families, nearly all in one section. It would be disastrous to the prosperity of East Hamilton. But Brantford is a smaller city, and even if two or three thousand people are taken out—and I would think that at least one thousand families would be affected—the result will be a condition that will bring upon this government the condemnation of practically every elector of that city. Brantford has been built up as a flourishing city of twenty-five or thirty thousand people largely through the agricultural implement industry. Now my hon. friends propose to wipe the duty off, and to shut down

the factories from which so many people get their livelihood—and that in respect of an industry, Mr. Speaker, which at present enjoys the small amount of protection that is afforded by a ten per cent duty.

But there is a more serious side than that. The government have been guilty of an unprecedented injustice to men employed in a great industry. They have put the agricultural implement industry into a state of suspended animation; they have rendered a judgment of suspended sentence against it by the statement made in the Speech from the Throne. The people interested in this industry do not know whether there will be any duty left, neither do the farmers who buy their product. The result is that for three or four months no business will be done in the agricultural implement plants. Nobody will manufacture; nobody will buy, nobody can sell, and until the budget is disposed of it is a matter of speculation as to what is going to happen to these men and to their capital. In Ontario and Quebec the amount invested in that industry is $100,000,000, and at the lowest computation 150,000 people live upon it in those two eastern provinces. The government comes along, and, I think without reasonable consideration, throws that industry into a state of collapse. It looks to me, Mr. Speaker, like the work of legislative amateurs. The Minister of Finance (Mr. Fielding) is ill. He could not have seen that paragraph in the Speech. The ex-Minister of Justice (Sir Lomer Gouin) is away from the councils of the government. I wonder if my hon. friend the Minister of Railways (Mr. Graham), who is a man of perspicacity, had an opportunity of seeing that paragraph before it was put in the Speech? I would think better of him than to believe that he would agree to such a thing. His knowledge of politics and his long exeprience as a legislator ought to be in the nature of a balance wheel in control of the amateurs who surround him when it comes to dealing with a delicate question of this kind. I am not going to hold him responsible. I fancy that he must have been ill or taking a rest. But no more serious offence was ever committed by any government of Canada than has been committed against the agricultural implement industry by the insertion of that paragraph in the Speech from the Throne. It is something that cannot lightly be passed over. An immense amount of capital is involved. A large number of people depend upon the operatlons of that industry for their livelihood. That their interests should be so lightly regarded is a very serious matter, for which the government must accept the responsibility. It has resulted in special mass meetings being held in Brantford; and if I am not mistaken special delegations have come here to make representations to the government. So that under these circumstances if I were the hon. member for Brantford, and desiring to remain in public life, for which he has many eminent qualifications, I would without unnecessary delay file an application for a place in the Senate, because I do not think there will be any hope of his coming back as a member of this House if the government carry out their expressed determination.

Just a few words on the Home Bank case,—not to swear at anybody or to blame anybody, but to make a suggestion. I want to suggest for the consideration of the government that they should indemnify all those who held savings deposits in that bank. I differentiate the savings account from the open and business account. Savings accounts are held by widows and by poor men who save ten dollars at a time; sometimes they are trust funds. They were put in there in the belief that when parliament chartered that bank it was going to take some precautions to protect those deposits. I know that certain provisions are made in the Bank Act for the inspection of the banks, and I know how hard it is to legislate to prevent dishonesty. At the same time, those who have money in that bank are entitled to some special consideration on the part of this parliament, and I for one would be willing to support any measure that would give to these widows and poor men—mechanics, labourers, and servant girls—the money that they deposited there in good faith, depending on the government for their protection.

I had a case reported to me the day I left my city to come here. A man living in my constituency told me that he had sold his house, his automobile, his furniture, everything he had, as he was moving to the United States. Then something interfered and held him back for a week. So on the 16th of the month he deposited all the proceeds from the sale of his house and chattels in the Home Bank. On the 17th the Home Bank suspended payment, and the savings of fifteen years of labour of that man were swallowed up in the failure. That is enough to make a man an anarchist. And that is not the only case, I could cite others almost, if not quite, as bad; and I say that those who had savings bank accounts in the Home Bank are entitled to special consideration and should be indemnified by this government.

The right hon. the Prime Minister the other day was violently peevish with the leader of this party for what he called the propaganda against the government for its wastefulness and extravagance. I submit, Mr. Speaker,

that if that propaganda had been carried on by the right hon. leader of this party it would have been a perfectly legitimate thing for him to do. When a government is wasteful and extravagant, surely it is the duty of the opposition to reveal that fact and to give the people of the country the facts and figures. But it so happens that my right hon. leader was not in the lead in launching this propaganda. He rather came up behind. It was more the result of a popular uprising against the excessive taxation under which the people and the industry of this country are suffering. The taxation of this country, especially of the industrial life of this Dominion, is making it impossible for any man, speaking broadly —there may be one or two exceptions here and there—to make a reasonable profit on his business. By the time he pays all the taxes that are levied against him from every quarter it is with the utmost dfficulty that he can make anything, and most men conducting industries in this country to-day are living upon their reserves. They have to draw upon them extensively to keep their plants running. And instead of getting any better the prospects are that conditions will get worse. Industry cannot run very long upon its reserves. There must be a profit somewhere, or else in a short time the reserves are exhausted, the business is closed up, and those employed in it find a home in the United States, as about five hundred thousand people have found homes there since this government came into power.

It was MacLean's Magazine that first drew attention to the waste and extravagance of this government. That is a publication that has never shown itself friendly to this party. Those who remember its policy while this party was in power will agree that it was not favourable or friendly to us, in fact, we thought we had many grave reasons for complaint. But Colonel MacLean who conducts that magazine, is particularly well qualified to ventilate that subject. In addition to publishing MacLean's Magazine he publishes a number of trade journals touching the grocery trade, drygoods, and many other lines of trade. I do not know anybody in Canada who is in a position to determine the exact state of trade quite so well as Colonel MacLean. He has his reporters out all the time; he has his advertising men and his canvassers —a very large organization going in and out among all branches of trade—and their reports led him to see how necessary it was to secure a reduction in the expenditures of this government, to lessen the taxation that is imposed upon the industry and trade of

the country, and to stop the waste and extravagance that is going on.

I say, Mr. Speaker, that this was rather a popular uprising than a propaganda carried on by a political party and the proof of that is to be found in the fact that many papers all over the country joined in approval of MacLean's policy. We have papers like the Toronto Star, the Brantford Expositor, and many other Liberal papers as well as Conservative, approving in the heartiest possible manner, and in the most definite terms, of the attack MacLean's Magazine had been making on the extravagance of this government. I think it is wise on the part of the government to heed this agitation as they are doing. Members of the government seemed to get cold feet. There was an immediate promise to reduce the Civil Service. Well, I read in the Montreal Gazette, in an Ottawa despatch to that journal, that the Civil Service are objecting not so much to the reduction in the personnel, as to the fact that the reducing process is not being more gradual. That means, if it means anything, that there has been no attempt to reduce the service commensurate with the needs of the situation. But now that criticisms have developed, the government is rushing in to make a general over-hauling of the Civil Service and a general reduction. I do not know just what effect this article had upon the government, but since this was printed another item has appeared in which it is stated that the government is going about this job gradually. It is not going to be done all at once now. The reducing process is going to be gradual, and as my hon. friend the Minister of Labour (Mr. Murdock) explained, those who are to be let out will get an allowance of two months' salary. That will carry them to the first of June. I would like to see this government follow the example of the Imperial government. I read under date of March 4 a cable despatch stating that in Great Britain a saving of £37,000,000 is shown in the estimates for the Civil Service and Revenue departments for 1924-25. That is roughly a reduction of $180,000,000 in the expenditure on the Civil Service in Great Britain. If that can be done there, substantial reductions can be made here. If one goes over the list of civil servants in this country and compares the cost now with the cost in 1914, it must be apparent that there is plenty of room for such reduction. I am not one of those who advocate low wages. I think the labourer is worthy of his or her hire. But I think we should expect from those who serve this government in the Civil Service that they should

develop a certain degree of efficiency that would result in substantial reductions in the staff. I am not satisfied that the Civil Service of this country should work only five and one-half hours a day. The League of Nations has set eight hours as a reasonable day for people to work, and I do not see any reason in the world why the Civil Service in Ottawa should not work eight hours a day. We will be told that theirs is very confining employment, that this clerical work is hard on them if they are made to work eight hours a day. Well, Mr. Speaker, go down to the Printing Bureau and you find printers and book-binders, men and women, working eight hours a day, and they are working a good deal harder, doing more to earn their money, than these young men and women in the offices in the departments. I do not suppose it is possible to persuade any government to make eight hours a day's work. But even if we made seven hours a day's work, and the employees did seven hours' work a day, you could reduce the service 15 or 20 per cent. That is what ought to be done if we are ever going to balance our budget, and reduce the taxation of this country.

Just a word, Mr. Speaker, as to the complications and exasperations of the taxation system of Canada to-day. The iniquity of the 6 per cent sales tax has been pretty well impressed upon the government if I am not mistaken. I know that every business man I am acquainted with has nothing good to say of that measure. I know the representations that have been made, and I would anticipate from all I know that the days of the 6 per cent sales tax are pretty well done, and it is likely to be either drastically mended or entirely wiped out.

Mr. BUREAU: Does my hon. friend know who asked for the 6 per cent sales tax to be put on at the source?

Mr. HOCKEN: I know who put it there.

Mr. BUREAU: Do you know who asked for it?

Mr. HOCKEN: I say I know who put it there.

Mr. BUREAU: That is a different proposition. The very men who to-day are speaking through the mouth of my hon. friend are the men who came to the government and asked that the tax be raised and imposed at the source, and that is what we have done.

Mr. HOCKEN: My hon. friend is entirely mistaken.

Mr. BUREAU: I am absolutely right.

Mr. HOCKEN: My hon. friend does not know of whom I am speaking.

Mr. BUREAU: It is very easy to infer who it is unless I am more of a dunce than I think I am.

Mr. HOCKEN: Yes, you are. Why the very men from my hon. friend's own department do not know how to levy the tax.

Mr. BUREAU: What is that?

Mr. HOCKEN: I say that officers of your own department do not know how to levy the tax.

Mr. BUREAU: I beg your pardon.

Mr. HOCKEN: I have had an experience which proves it.

Mr. BUREAU: You have always had odd experiences because you do not undertsand the sales tax yourself.

Mr. HOCKEN: I had an auditor of the department visit my own business. When I make that statement the hon. gentleman will probably give me credit for knowing whereof I speak.

Mr. BUREAU: I do not think you do, when you talk about the sales tax in the way you do.

Mr. HOCKEN: This man came into my own office. He went over the sales and picked out one particular product we sold. He said "You have not paid sales tax on that and you are due for a penalty." The general manager of my business went to the files and produced a ruling from the department showing there was no sales tax to be paid on this particular product. An auditor from the department did not know how to levy the tax. That is an actual experience within my own knowledge which occurred in connection with my own business.

Mr. BUREAU: Does my hon. friend claim we are obliged to put brains in every employee of the government. If the employee is mistaken call my attention to it, and I will put him where he belongs.

Mr. HOCKEN: The average business man is supposed to understand how to pay that tax, and if it is of such a complicated and exasperating character that the ordinary business men cannot tell how to pay it, and the auditors of the department do not know—

Mr. BUREAU: They do know.

Mr. HOCKEN: They sent an auditor to my office and he did not know of the ruling in question.

Mr. BUREAU. That happened in Toronto, they know it all there.

Mr. HOCKEN: I will go a little further and give an experience of mine in reference to the income tax. Last April I went down to the head office of the income tax department in this city and handed a statement of my income to a clerk in the department. He took the statement, told me what I had to pay, and I paid it. In January of this year I was informed by the taxation department in Toronto that I owed the department $20.70 more.

Mr. BUREAU: Toronto again.

Mr. HOCKEN: No, Ottawa. I made the statement to the taxation department in Ottawa.

Mr. BUREAU: They are the appointees of your party, we have not had much time to reform them yet.

Mr. HOCKEN: I understand the minister is reforming them just as rapidly as he can.

Mr. BUREAU: Yes, and I am doing good work too.

Mr. HOCKEN: What are you going to do about these taxes when the conditions of their application are so bewildering to the average man? That is what I am complaining about and I think it is most exasperating.

Now I want to say a few words to hon. members on my left. The Prime Minister said in his speech he hoped every member of the House would speak first as a Canadian. He wanted us all to be Canadians. I entirely agree with that. I would be sorry to think any member of this House is not a Canadian, whatever his party affiliation may be. I hope his patriotism is not submerged in partisanship. I am not ready to believe any member of this House is not first of all a Canadian. We are divided in our political views, of course, and we have our political alliances. Personally I believe in a moderate protective policy and I align myself with the party advocating that policy. My hon. friends to my left believe in free trade, and they align themselves with the party believing in it. Opposite to me there is another party, but nobody knows what they believe in, or stand for. However, there will always be parties when everybody is really and truly Canadian. I submit, Mr. Speaker, that the party to which I belong ought to be called Canadian. For a period approaching fifty years it has advocated the one fiscal policy, and has not wavered in its beliefs or in its support of that policy. It stands to-day where it was in 1878.

Mr. FORKE: And where it will be fifty years from now.

Mr. HOCKEN: We shall support that policy as long as we believe it to be best for the country. My hon. friends to my left are equally consistent. Since the formation of their party—perhaps before—they have been free traders. Of hon. gentlemen opposite, some of them are for the Laurier-Fielding tariff, some of them are for a revenue tariff, some for a protective tariff, and some do not want any tariff at all. There is quite a variety of opinions over there. That diversity of view does not prevail on this side of the House although there is a sharp difference of opinion among us. I believe in a protective policy because I lived under a revenue tariff. When I was a boy growing up into manhood we had a 17½ per cent tariff in this country, and the exodus that was taking place at that time was greater than is taking place to-day, and what is taking place now is quite bad enough; it is without any precedent unless you go back to the days of 1874 to 1878. I have said before in this House and I want to repeat for the benefit of hon. gentlemen to my left that I was brought up among a generation of young men 75 per cent of whom, I venture to say, left Canada for the United States as soon as they had learned a trade or a profession. The boys I went to school with were living in Chicago, Philadelphia, New York and other cities because they could not get work in the city where they were born, or in any place in the Dominion. I was a witness of American furniture, made in Grand Rapids and other places, coming in by train loads to my own city and sold at auction there. That had the effect of closing up the largest furniture factory we had in Canada at that time, and I think we have never had one quite as large since. There were 1,500 men in that one factory living in a district that is now occupied by foreigners from Ukrainia and other parts of southern Europe. That is what the 17½ per cent tariff under the late Hon. Alexander Mackenzie did for this country, and the city where I live was not the only one affected; the same thing was going on in every other city. I do not want to see that state of affairs return. I am not speaking theoretically, Mr. Speaker. I am speaking from experience, and I think experience is about the best teacher that we have. I say that I do not want to see any manufacturer earn excessive profits, and I mean it; the safeguard I would propose is a tariff board that would have authority to go into any industry, examine the costs, ascertain profits, and report

to this parliament that this or that or the other item of the tariff might be reduced in the interests of the general public.

Mr. BUREAU: May I ask a question?

Mr. HOCKEN: Yes.

Mr. BUREAU: Would the hon. member extend the power of that board to investigate and find out how much money has been paid for the stock on which they want protection in order to get dividends?

Mr. HOCKEN: I would give that board authority to go into anything that would be necessary to reveal to this parliament the profit that was being earned on the capital that was put into the business. I am quite as anxious to protect the consumer as I am to protect the manufacturer, and my desire to protect the manufacturer is not that he may get a huge profit, but that the men in his employ may get living wages and be able to live in the country where they were born and brought up, and not have to go away.

I hope we are all Canadians, and I think as Canadians we ought to get together. In 1867 we began the greatest experiment in the creation of a nation that has ever been attempted in the world. We are still in the experimental stages, if I am not mistaken. But having a country which stretches nearly four thousand miles across the continent, it is inevitable that the interests of one section are not identical with the interests of another. Broadly speaking we have three divisions in this country, the Maritime provinces, Ontario and Quebec, the central provinces and the West. I think that the provinces of Ontario and Quebec are more nearly identical in their interests than any other two provinces. Perhaps the western provinces, Manitoba, Saskatchewan and Alberta are in the same position. Here are three great divisions. Our business is to harmonize the interests of the three different sections, and I think it can be done. It can be done if the people in each province will have some regard for the welfare of the people of the other provinces but if we confine our views and considerations as to what ought to be done to our own personal needs we cannot get anywhere. We have to consider what is in the interests of the other provinces. Well, what is the fact? The eastern provinces, including the Maritime provinces need protection. The province of British Columbia requires protection. If you take the three prairie provinces, you will find that they contain about two-ninths of the population of the country. The other provinces contain seven-ninths, and the other provinces want a tariff. I say to the men of the prairie provinces that they should have regard for the fact that the people of six out of the nine provinces believe that their interests demand a tariff. If the people of the prairie provinces will go that far—and I fancy they are willing to do so, because surely the prosperity of seven-ninths of our population is of the utmost importance to the other two-ninths—something might be accomplished. I do not think for a moment that the people of the prairie provinces are possessed of a selfishness that would consider their own interests, without regard for the interests of their fellow Canadians.

Mr. SPENCER: Has the hon. member not reversed the figures? Are there not six provinces desiring freedom of trade and three wishing a tariff?

Mr. HOCKEN: No, I think the hon. gentleman is wrong. If he will go over the records whenever there has been a general election on the trade issue he will discover I am about right. The last election was not a criterion at all on the trade question. The people did not vote on that issue.

Mr. BUREAU: Nor the one before.

Mr. HOCKEN: I think perhaps they did in the West. The Grain Growers Guide has certainly inoculated the farmers of the West with the idea that nothing matters except free trade.

Mr. FORKE: Then we have the Sentinel.

Mr. HOCKEN: You do not get much protection or free trade in that.

Mr. GRAHAM: It is not much of a harmonizer.

Mr. BUREAU: There is only one harmonizer in the country.

Mr. HOCKEN: But if we are going to get together we ought to do so in this House frankly and definitely. I have an idea that this clause that I refer to in the Speech from the Throne is the result of some secret diplomacy by the hon. member for Marquette (Mr. Crerar) and Premier Dunning of Saskatchewan. They were down here and were in conference with the Prime Minister. They went away, and there is a suggestion that the duty is to be taken off agricultural implements. I did not think that our radical friends approved of secret diplomacy.

Mr. BUREAU: It only exists in the hon. gentleman's mind. There is no secret diplomacy.

Mr. HOCKEN: I was speaking to the hon. member to my left.

Mr. BUREAU: But I am listening to the hon. member.

Mr. HOCKEN: Perhaps they do not believe in secret diplomacy, but there must be something going on.

Mr. KELLNER: Has the hon. member any suggestion to make for the get-together movement?

Mr. HOCKEN: Yes, I have. I say that I think western Canada should be willing to accept a cost of living tariff for this country as a stable part of the policy of Canada.

Mr. EVANS: Would the hon. member please define that?

Mr. HOCKEN: Yes. A cost of living tariff was defined the other day by the hon. member for St. Lawrence-St. George (Mr. Marler), as a tariff that will enable the manufacturer to live and give employment to the people of this country, but not to give to the manufacturer any excessive profits.

Mr. SPENCER: Do you consider a farmer a manufacturer in his line, and would you allow him a cost of living tariff?

Mr. HOCKEN: Sure, I would protect him wherever he needs protection. I think that he should have protection against a good deal of the stuff that comes in from the other side.

Mr. FORKE: But the hon. member must realize that it cannot be done. You cannot protect the farmer with four hundred million bushels of wheat.

Mr. HOCKEN: There may be some difficulty in placing a protective tariff on wheat.

Mr. BUREAU: You would have to cheapen the cost of living.

Mr. HOCKEN: I have an idea that some farmers grow other things besides wheat. Is a man a farmer who simply grows wheat? I am not sure, but I do not think he is. He may be a wheat grower, but he is not a farmer. Growing wheat is one operation on a farm, and that has been the great trouble in the West. They have grown wheat, wheat, wheat, and they do not grow anything but wheat.

Mr. FORKE: The hon. member invites a question; do you despise the four hundred million bushels of wheat that comes from the West and goes over to Europe, and helps to keep the wheels of industry in Canada turning? Would you compare that with any other agricultural production in Canada to-day?

[Mr. Bureau.]

Mr. HOCKEN: The hon. gentleman made a speech when he asked a question. I do not despise anybody, and I do not despise anything that is being produced. But I say it is impossible so far as I can see to put a protective duty on wheat.

Mr. FORKE: We do not want to.

Mr. HOCKEN: But I say that there are other things besides wheat—cattle, poultry and fruit—and you have a wide range. My hon. friend has lived all his life on a wheat farm, but he knows that he can grow wheat without being a farmer.

Mr. SALES: I grow cattle as well as wheat, and my cattle are grown on an export basis the same as wheat. How are you going to protect me on the cattle?

Mr. HOCKEN: I have been diverted from my subject and as I want to finish by six o'clock I will hurry on. I say this, Mr. Speaker, to my hon. friends in particular. They have more to gain from the cheapening of transportation than from the removal of any tariff. I would exhaust the resources of this country in cheapening transportation from western Canada to the seaboard. I would do it in two or three different ways. I would, as I did last year, vote for any appropriation that is necessary to develop to its ultimate limits the port of Vancouver. If it is possible to take the grain of any of the western provinces out by Vancouver at a lower rate, I am in favour of that. Last session I went so far as to vote for the Hudson Bay railway, although I do not believe for a minute that it is ever going to give lower rates or any relief for the western farmer. Yet, it may open up a country that has some other resources, and it may pay for itself in that way. But I cannot believe the wheat will ever go out by that route. The great thing is the development of the St. Lawrence river so that ocean vessels will go up to the head of the lakes as they did last year, and take cargoes of wheat right over to Liverpool. I do not think that is the inevitable or the natural development of that route; but if the St. Lawrence river were improved to give a twenty-five or thirty-foot draft, big ships that take 500,000 bushels of grain would load at Fort William and would probably break bulk at the city of Quebec. It might be the city of Three Rivers.

Mr. BUREAU: It is the better place.

Mr. HOCKEN: But Montreal and Quebec should, under those conditions, develop into two of the greatest ports on the North American continent.

An hon. MEMBER: What about Toronto?

Mr. HOCKEN: Toronto gets nothing out of this. A ship may come in with package freight, but there are no bulk cargoes to receive from or to deliver in Toronto. A vessel holding 500,000 bushels of wheat would leave Fort William, go down to the city of Quebec and discharge into ocean boats which would go across to Liverpool, or to any other port in the world, in that way saving five to eight cents a bushel on wheat. If from five to eight cents a bushel could be saved on the wheat that was grown on the western prairies last year, the leader of the Progressive party (Mr. Forke) can figure out what that means. That is one of the ways in which transportation can be cheapened. Water transportation, as we all know, can be done at much lower rates than rail transporation.

I have another plan to suggest, and I am now going to venture into the realm of prophecy. Having had the example a day or so ago of the dean of the House, the hon. member for South York (Mr. Maclean), who is something of a prophet, I am going to make a suggestion that may seem a little in advance of the time, but which, I will venture to predict, before many years will be a subject of serious discussion as a progressive policy for this country. I think the real reduction in the cost of transportation is to come from the electrification of the railways. I believe there are men sitting in this House to-day, yes, men in middle life or past it, who will live to see our whole western railway system electrified. If that is done, the railways will be run with at least 50 per cent greater efficiency than they have to-day. The efficiency of a railway train lies in the locomotive. An electric locomotive, by actual experience, on the New York, New Haven and Hartford line, showed an increased efficiency over steam of fifty to sixty per cent. Electric locomotives take longer trains; they take heavier grades; they eliminate all the water service and they are more efficient in every particular. Every 100 or 150 miles a steam locomotive operates, it goes into the shops to be repaired. On the New York, New Haven and Hartford railway, they inspect an electric locomotive every 1,800 miles it runs. I have some figures here that are, perhaps, worth while mentioning.

One of these statements is that in the United States to-day they are operating 5,000 miles of regular railroad on which trains are hauled by electric locomotives. On those railroads ordinary passenger and freight trains made up into ordinary trains are hauled by electricity. That is a very considerable mileage. On the Milwaukee line, they have found an increase in efficiency of 50 per cent. On some lines, they have done better. Mr. Ralston, of the New York, New Haven and Hartford line, says that there has been only one failure of a locomotive in every 21,000 miles run by electricity, whereas there is one failure for every 4,000 miles run under steam. Thirty-three electric locomotives have handled the passenger traffic in and out of the Pennsylvania terminals of New York for eleven years. They have made more than 7,000,000 miles with a record of 64 4-37 miles per detention on account of the locomotives. They have made 11,454 miles for every minute of detention. The maintenance of these locomotives over all this long time has been just about one-sixth of equivalent steam locomotives.

My suggestion—and I think it will come to pass—is that there should be constructed in every province in the West a great power plant for the purpose of operating those railways, and at the same time of supplying power to every municipality in the province. There should be a super-power zone such as they are talking about in the Atlantic states of the union. It is already proposed that the eastern states as far west as Pennsylvania shall be included in one super-power zone; that the power shall be developed largely by steam, and that the municipal power, the railway power, and all the other power used within that zone will be switched on and off as it is required. The same thing, I am convinced, can be established in the western prairies. With a large power plant in British Columbia, one in Alberta, one in Saskatchewan and one in Manitoba—and three might be enough—sufficient power could be developed from cheap coal to operate every wheel that runs on the prairies, and at the same time to run all the municipal services in all the cities that are there now or that will be there in the future. It is by co-operation that every great achievement has been effected; and if the people of the West will co-operate, the cities with the railways and with this government, if they will take the cheap coal from the mines at Drumheller and the coal from the mines of Saskatchewan where, according to the Geological congress, there are 2,400,000,000 odd tons of coal, and establish three, if not four, super-power plants between the head of the lakes and the coast, in that way you will get an efficiency for your railways that will certainly reduce the cost of operation ultimately, if not immediately, by at least 50 per cent.

Twelve per cent. of every ton which a locomotive draws is its own coal and water. Of every eight trains operated throughout the United States one train represents the cost of hauling the coal and water for the other seven. That should all be eliminated. We have the coal in the western provinces; we have the power of electricity, which is more efficient in the winter than in the summer. An electric locomotive never freezes up, instead of freezing it becomes more efficient the colder the weather. This plan could be put into effect one section at a time, first, say, the mountain section from Edmonton to the coast; then the section from Edmonton to Regina; then, moving east. Stop buying steam equipment and use what we have in those parts of the country not electrified, and buy instead new equipment of electric motive power until the whole of the west is put under electric power.

With transportation such as that you will be able to place the wheat of the prairies on the markets of the world at ten or fifteen cents, or perhaps more, per bushel less than at the present time. I say, as one coming from one of the central provinces, as one believing in protection for the industries, as one who knows that the industrial part of the country is bearing the load of taxation, that the resources of the eastern provinces are available to-day, for the electrification of the western railways, or the development of water transportation, to improve conditions for the western farmers and make it possible for them to earn a good livelihood.

There are bitter complaints from the prairies. Has there ever been a time when there were not bitter complaints from pioneering communities? The men on the prairies have done well; at least I have something which I might quote and which perhaps the leader of the Progressive party (Mr. Forke) will remember. It is an interview which Mr. C. W. Rowley, the western superintendent of the Bank of Commerce, had with my hon. friend, in which he points out that in less than forty years men who had gone into that country had got rich. But there was never a pioneer in Ontario who got rich in forty years.

Mr. FORKE: Not rich.

Mr. HOCKEN: He says so.

Mr. FORKE: He is exaggerating.

Mr. HOCKEN: It depends, of course, upon what you call rich. But the men who have pioneered out there have not had anything like the difficulties, the hardships, and the poverty which were experienced by our progenitors in this province of Ontario. It has been a comparatively easy country to the pioneer. There are, however, difficulties that are inseparable from pioneering, that is apparent. And I am satisfied that with the improvement of transportation, and if Canadians will take the thing up in a unity of spirit piece by piece, we can get a policy for the country that will be acceptable to all, a policy that will bring prosperity to all.

We in Canada have the greatest country in the world. Providence has given us a larger endowment of natural resources, and of opportunities generally, than are enjoyed by any other country. We are living in a climate that is calculated to make men strong, physically, mentally and morally. We ought to be, at the end of this century, the greatest nation in the world, able to contribute more to civilization than the Mother Country, and that is saying a great deal. There are no better people in the world than Canadians, and the climate is responsible for that. Surely, then, we ought to have the patriotism and the political capacity to get together and devise a policy which will take care of each province and promote the common interests of all. That means some little adjustment, some agreement; but, I am sure that if we are all Canadians, as the Prime Minister (Mr. Mackenzie King) suggests we should be, we ought to be able to do that.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. D. F. KELLNER (East Edmonton): Mr. Speaker, in rising to continue this debate I would like to lend my word of appreciation to the mover (Mr. Kelly) and the seconder (Mr. Lapierre) of the Address for their very able speeches. The repetition of these words of praise must be getting rather monotonous to them, but I suggest that they make the most of it; for it is possibly the last time so many kind things will be said about their speeches. To the Prime Minister (Mr. Mackenzie King) and to the right hon. leader of the opposition (Mr. Meighen) I would also like to extend congratulations. They contributed very ably indeed to the discussion, and while I believe they both practically admitted that they were guilty of constituency bribery, still, we enjoyed their addresses. I think I might also very consistently extend a word of congratulation to our leader (Mr. Forke) and to the leader of the Labour group

in the House (Mr. Woodsworth), both of whom delivered very able addresses.

I think the country can get the best outline of what a political party has to offer by watching the discussions of their adherents in their addresses during the parliamentary recess. With this in view I have read carefully the speeches of the Prime Minister during his visit in England as well as of some of the cabinet minsters who came out west this summer. Their appeal to the country on the basis of Liberal policy seemed to be that they would bring in foreign capital and immigration. There are two methods of bringing in foreign capital. One is, in some way or other, to get hold of people who have capital and bring them into the country; that method is a comparatively good one. The other would be that of adding to our national debt and also to our interest charges, and that I consider to be a very doubtful procedure indeed at this time.

At Edmonton we were favoured during the recess with two visits from the right hon. leader of the opposition. On the first occasion I went to hear him speak, and his address was a very able one. It dealt wholly, however, with a criticism of the government of the day; he dwelt at great length and very ably on the deeds of omission and commission for which the present administration was responsible. Then he returned to the East, and later he came back to the West with a man who, I think, was instrumental in again putting the province of Ontario under the domination of Toronto—and I believe it is only fair to say that in that accomplishment he strained the Conservative machine until they could not even elect Tommy Church as mayor of Toronto at the last civic election. When he arrived in Edmonton with this "Baldwin of Canada", as he was designated, another meeting was held. Unfortunately I was not able to attend, but one of those who did attend told me that on that occasion the leader of the opposition delivered a very brilliant address and again gave the government a pretty severe castigation. When he finished up he addressed his audience in words something to this effect: "It possibly would not be very fitting for me to come out here and say all these unkind things about the Liberals without saying what the Conservatives would do if they were elected. I will tell you what they would do. You have seen the farmers leave their farms in western Canada and go down across the border in great numbers. That is nothing to what has happened in Ontario; there they are leaving every city, town and village, and the country is practically deserted. What would we do? We would build a high tariff wall around Canada and produce a home market for our farmers." There he hesitated, no doubt expecting a little applause; and I am frank to say that he is nearly always able to command it when he desires it. On that occasion, however, in that large audience, which was presumed to be a Conservative audience, there was not a clap or a "hear, hear"; not a note of appreciation could have reached his ears.

After his departure we had a third visit, from the hon. gentleman who is perhaps the heftiest member of the Conservative group in the House; I refer to the hon. member for Victoria (Mr. Tolmie), who was Minister of Agriculture in the late government and who is now official organizer for the Conservative party. He came out to Edmonton, and according to the papers that are more or less loyal to that party, he was having a great deal of success in organizing the Conservatives of the district. That paper made quite a number of very favourable comments during his stay and for a day or two after he had gone, but subsequently one of the other papers came out with the rather caustic remark that since the member for Victoria had left the district it seemed that the Conservatives had all gone too; and the writer suggested that in all probability they were travelling companions of the Conservative organizer. That sort of got under the Conservatives' wool a little bit, and the Edmonton Journal came out with an article on February 11th, telling of how they had organized a smoker out there and how a number of prizes had been offered for getting members for the organization. I have the article before me; it is long and I shall not read it all, but I should like to mention some of the prizes which were offered. For the grand prize, otherwise known as the "Meighen prize", a solid gold watch. In the men's contest the first prize was the "Blair prize"—Blair, by the way, is the new provincial leader of the party in Alberta—a club bag, donated by William Short; second prize, a golf bag; third prize a pocket flask; fourth prize, a gold pencil. I submit that it is a little unusual to put a gold pencil in such surroundings. The ladies also were offered some prizes. The first was a half dozen stainless steel knives with ivory handles and a half dozen 1847 Rogers dinner forks. I believe that Rogers dinner forks are manufactured in England. I submit it is rather inconsistent at least for the Conservative party to offer a prize to one of its own adherents especially at a time when the tariff is the outstanding issue, and especially a prize of knives and forks made in England.

The second prize is a handbag, the third prize ladies' gold shoes, the fourth prize a fountain pen, and two tentative prizes are offered to the man and woman who buy over one hundred tickets. We will watch the bulletins of the member for Victoria and see how the contest goes.

I think it is a fair conclusion to draw from the information we have at the present time, that the people of Canada, those who are supporting the Liberal or the Conservative party, have the option of supporting the Liberals on the promise of foreign capital and immigration being brought in, and also on the more or less indefinite promise contained in the Speech from the Throne of a tariff reduction, or of supporting the Conservatives, who I suppose would promise them protection and an opportunity, if they lived in the province of Alberta, of winning one of these very valuable prizes. So viewing both parties and the condition that our country is in to-day, I think it is only fair to say that it is very easy to see the end of the two-party system of government in Canada. I think that possibly this parliament has a smaller number of groups than the next one will have. I do not believe the day will ever come when we will go back to the two-party system in this country again.

Neither do I attach much importance to the campaign going on in the papers of this country for a Moses to lead us out of the wilderness we are in. I believe the time has come when we shall have to take advice such as was offered us this afternoon by the hon. member for West Toronto (Mr. Hocken), of getting together in an effort to solve the economic problem of Canada. When we do get together I hope the hon. member will not forget to send us a copy of the Orange Sentinel, because I would very much like to read its editorials when we are considering getting together in this country. However, I am fully convinced that we would be better advised to try and solve this question ourselves than to go out on a prospecting tour looking for a leader which the press tells us we need at the present time. I think that possibly that view is strengthened by the late war. Invariably after all other wars there has been some great outstanding general in the public eye, but there has been none such after this war. We had one possibly who might be termed a great organizer, but I do not think it can truthfully be said that there is one general who has come through the late war whose strategy and whose skill in battle will live in the history of our country. I believe that point can be pressed home best perhaps by reference to an event which occurred recently in England. There they engaged a painter of considerable repute to paint three pictures, the first to be a picture of those who negotiated the Peace treaty, the second of those who signed the treaty, and the third of those who won the war. In a short time the artist completed the first picture, showing the statesmen and diplomats of the various countries negotiating the Peace treaty. Then he painted the second picture, in which he portrayed the signatories signing the treaty. But when he came to the third picture he tried one general after another in vain. According to reports he tried nine different generals and refused them all. They pressed him to hurry up and complete the series, and so finally he brought in a picture, not of any great general of the war, but of Britain's Unknown Soldier.

The Speech form the Throne conveys more or less of a promise of a reduction in the tariff. I am frank to say, after listening to the speeches which have come before the government benches, that I am more confused than ever as to what is meant by these tariff proposals. However, I am willing to be fair, and wait and see.

There are two omissions, in my opinion, in the Speech from the Throne to which I wish to call attention. I think that at the present time Canada is suffering more from the low prices which are paid to the farmer for his produce and from the excessive interest rates we have to pay than from any other two things we have to contend with. In the Speech from the Throne there may be more or less of a promise given of an attempt to reduce the cost of commodities which the farmer must buy, but I can see nothing there to give him any hope of an increase in the prices he gets for his commodities, and the interest rate is absolutely untouched.

I wish briefly to review the trade situation that Canada is in at the present time. I think it is one of the first axioms of economics that goods from one country must pay for goods purchased from another, and I maintain that what is largely the matter with our foreign trade at the present time is the tariff wall that we have maintained around this country, and which has kept out practically all the goods that are essential to us. About the only goods we have been able to get are the non-essentials or semi-luxuries. On the other hand, we have given to the world probably the finest wheat and the finest foodstuffs that can be grown anywhere in the civilized world to-day. The high quality of those foodstuffs is well known

to practically every country in the world and to practically every individual in those countries. But the goods we are importing into this country are toys, for instance, from the Orient, silks and patent medicines from Europe —goods that might be classed as semi-luxuries. Practically no one knows the value of these goods in marketing. I believe there has grown up in our midst a merchandising combination which is taking an exorbitant toll for the service it is rendering. The United States government recently investigated this condition and found that in some cases this combination was charging as high as 1,000 per cent profit. Of course, it is pretty hard for the farmer growing wheat and Wiltshire sides to compete with profits to that extent.

We also have a few other troubles to contend with. Those of us who live in western Canada find when we come to ship our produce that the Railway Commission fixes the rates to the Great Lakes. From that point, across the Great Lakes, the rates are fixed by a combine of two men, and from there on the rates are supposed to be fixed by the competition between American and Canadian roads, but we are well informed that there is a combine between the American and Canadian roads, and that they refuse to lower the rates. Then at the ocean we have an ocean combine fixing the rates. Summing up, in shipping our goods we are up against a series of hopeless combines, and under such conditions it seems absurd to expect that a protective tariff wall is going to benefit the farmers very greatly.

There is still another policy which I have not mentioned, and that is the economic policy of doing business in Canada in such a way as to make the home market pay for the development of the foreign market. I think it is stating the case fairly to say that if a manufacturer desires to develop a foreign market, he will simply increase the price of the commodities at home, and will make the home market pay for the cost of developing that foreign market. That is the reason we often see goods manufactured in this country sold more cheaply in some foreign country than they are sold in Canada; and as a matter of fact some of our own goods, flour for example, sells more cheaply on the continent of Europe than it does here. I am convinced that in order to improve their status the farmers will have to create an organization which will be competent to handle the selling end of their business in precisely the same way. Before such an organization can be constituted, however, there is little doubt in my mind but that we shall have to get support from other industries in Canada. We believe, speaking from the standpoint of western Canada, that the urban population very gladly extend that support at the present time. We may need some support from the government, and I am a little uneasy as to what we can expect from that quarter. Very recently a delegation from our farmers' pool came down here and asked the acting Minister of Finance (Mr. Robb) if he would kindly pay up a little bill which he owed. It dates back to the days of the old wheat board, when a sum of money was set aside to meet the winding up of expenses of the board. Those expenses were not so heavy as had been expected, and besides some of the participation certificates had been destroyed. The result is that the government have about half a million dollars of our money in their custody. But when this delegation came down and asked the acting Minister of Finance if he would mind turning it over he said "No, a few years ago some of you fellows came down here and borrowed money with which to buy seed grain. You have not yet paid that money back, so I will keep this money until the other debt is paid." It is rather unfortunate he did not state that some of the people brought in under the Canadian Pacific Railway Company's immigration campaign owed for the seed grain.

I think before I leave that subject I ought to call attention to the fact that the very day the newspapers published an article about this delegation coming down to see the acting Minister of Finance, the United States papers carried a news item to the effect that a committee had been appointed there to finance the farmers of the northwestern states. I saw two reports. One said that the capital subscription was to be ten million, the other that it was to be one hundred million. I have not been able to check the statements up and I do not know which is right. But assuming that ten millions is the correct amount, it is worth while noticing the difference in attitude between the United States and Canada. In one country the government refuse to give back about half a million in their possession which actually belongs to the western farmers, in the other they are subscribing the sum of ten million dollars to assist the farmers. I think possibly such incidents as this account for a good deal of the emigration which is to-day going to the United States from this country.

Now I want to make a few remarks with regard to the interest rates we are paying in Canada. I think it very fitting that I should

remind the House that at the last session of parliament, when we were renewing the bank charters, the little group which sits in this part of the chamber asked for a number of changes in the Bank Act, changes which we hoped would probably be instrumental in reducing the interest charges and in giving us a better credit system for our country. On that occasion there was no quarrel going on about the bribing of constituencies or anything of that kind; the hand of fellowship was extended across the floor of the House by the government to the opposition at that particular time. They told us then that Canada had the finest banking system that any country ever had, and it was even suggested that we should be satisfied with it because expressions of doubt on our part might ruin our credit abroad. I think events have happened since that time which possibly show our banking system is not just as perfect as its defenders then thought it was. Quite a number of these very fine banks have got into trouble at various times. Of course I am aware it will be said in each particular case "It is only a weak sister, nothing happens to the big banks". But the big banks are strong only as long as the people have confidence in them, and when the confidence is withdrawn they are no longer able to continue. I doubt, in fact, whether a bank in any such position as that could pay its liabilities. We remember that away back in 1912, I think that was the date, one of the big banks decided to speculate in Mexican lands and the results were very disastrous. If my memory serves me correctly thirty millions were written off the books of that bank as a result of those unfortunate investments. In 1914 another bank became ambitious to enter upon railroading and had to request the assistance of the government to keep it on its feet. In 1920 another bank backed some sugar gamblers, and that bank had a sweet time to remain in business also. So I think that possibly we are entirely within our rights in discussing this financial question.

Now, I want to give the House a little idea of just how satisfactory our banking system is from a farmer's standpoint. If, say twenty years ago, a farmer wanted to buy a new binder, and his credit was good, he would go to his banker and tell him what he wished and that he desired to borrow money for the purpose. The banker would say "All right, give me your note for $150 at 8 per cent." Suppose the same farmer wanted to buy a new binder this year he would go to the banker and tell him that the old binder, having been left out in fence corners for twenty years was worn out, and he wanted to buy a new machine. The banker would say "All right give me your note for $300 and interest for 8 per cent", or probably 9 per cent. Now the number of dollars involved is not the question at issue. The vital fact is that he wishes to perform a certain function and to get money enough to do it. In the first case he is charged $12 a year for the privilege of buying the binder, in the second case he is charged $24; and when pay day comes he discovers that the principal he has to meet in the second instance is twice the amount it was in the first.

I should like to draw the attention of the House to the fact that this is the most inopportune time the country has ever had for discussing tariff regulations, by reason of the fact that foreign exchanges are so very unstable. Practically every country outside of the United States finds that it is having a good deal of trouble in maintaining its exchange. By the way our own exchange is slipping a little within the last few days, and I doubt very much if Canada can maintain it at anywhere near the figure it is now. I think this is something the government should take under their serious consideration, as to whether they intend to permit the extra demands which were made upon the credit of our country to be met by an issue of bank credit, entailing as it does a continual payment of interest, or whether they will provide for an issue of Dominion notes to take the place of bank credit. I want to leave that subject for a moment, and I will say something further in regard to it in a few minutes.

In discussing the matter of foreign trade, I notice that the government has been particularly gratified this last few months over the fact that last year we had a favourable trade balance of about $118,000,000. Well, as I view it, possibly that is not a matter of very great gratification at all. I think it amounts to about this, that extra money could do one of three different things. It could pay the interest on our foreign debt, if we made arrangements for that in our budget. It could go back to the country as a hidden asset, or in some way that would deceive the people. It chiefly comes by increasing our national debt, and also by increasing our interest obligation. I maintain that if we are going out to try to capture foreign markets by competition, by the cheapness with which we can sell our goods to other countries, regardless of whether or not we are prepared to take their goods in payment, then we are adopting practically the policy that used to be in vogue in the military ages. There was a time in the history of the world when the country which could go

forth and by force of its arms conquer new territory was the most prosperous and the most-to-be-envied country of all. That condition is changed to-day, and we are endeavouring to accomplish the same thing through the trade of Canada, but I believe that one method is as much as the other, merely wading through slaughter to a throne.

We have heard a great deal in this House since the debate started about the unity of eastern and western Canada, and I submit there is only one way that that can be maintained. There must be an economic advantage to all the various sections of Canada in the union or eventually it is going to dissolve. I am sure there is no one at the present time who is desirous of seeing such a dissolution, but when the hon. member for West Toronto (Mr. Hocken) this afternoon pointed out the horrible plight Brantford was getting into, and told us it was our duty to maintain the tariff, so as to hold up Brantford and some of these other cities, I could not help but think that these cities would never have been there if it had not been for the tariff; and having built these towns and brought them to their present state of development, if we find they are too heavy to carry, I am afraid we will have to get out from under the load, regardless of whether it means a dissolution of the union or not.

I would like to make a few remarks about the unsympathetic way in which the demands of the West have been met by eastern Canada and by this parliament in particular, and possibly I could cite nothing that would bring the matter home more truly than the question of the natural resources. We have been demanding the natural resources; and, for that matter, have been promised them by every parliament which we have ever had in Canada, regardless of its political affiliations. I remember when this government was elected they were trying to find a seat for the Minister of the Interior (Mr. Stewart) in the province of Alberta. I asked one of their agents why they wanted him down in Ottawa so particularly. "Well" he said, "If there is a man in western Canada who can get the natural resources for us, that man is Charlie Stewart." He came down in 1921, this is 1924 and we have not got the natural resources yet.

Then there is the matter of the Branch Lines bill. That bill went through this House last year without any very serious opposition. It was defeated in another section of parliament, the mention of which is taboo at the present time; but I would like to suggest to the government that there might be a possibility this year of getting that bill through, if they would change their methods of financing a little. We have had two or three instances in the past of the adoption of different methods. Back in 1916 the government came to the aid of the Canadian Northern Railway with a grant of sixteen million dollars, and they came to the aid of the Grand Trunk Pacific with a grant of ten million dollars. That money was simply turned over to those railway companies in exchange for securities, and went into circulation, to meet construction costs and operating costs of the road. I can see no reason at this present time, having in mind the situation of our finances to-day why the government should not make an issue of Dominion notes to pay for these branch line railways. It would save the interest bill which is bound to accrue if we finance it in the ordinary channels, and I think that the only objection that could be raised to the suggestion is that increasing the amount of the circulation without increasing production, would cause prices to go up. I think that objection would fall flat, because if that money were expended in this way, we would very materially increase production. During last session the members in this part of the House were quite frequently referred to as the calamity howlers of parliament. I think it is only fair to say that this year the calamity howlers have largely changed their positions. The cry has come from the other sections of the House to a really more marked extent than from this side.

An hon. MEMBER: Montreal.

Mr. KELLNER: Montreal and Toronto in particular. That is the natural sequence of events. When depression hits the country it starts always at the outlying districts and works back to the centre of civilization and finance, and I am convinced that before you will head off the depression from which this country is suffering and start it on the way to recovery, you will have to go out to the country districts and start prosperity there first. I know of no way in which that could be more effectively accomplished than by building those branch lines and financing them in the way I have suggested.

Before I came into the House, Mr. Speaker, I was approached with a request that I set a precedent for reducing the time of speeches—I intend, at least, to set the example of making a short speech.

Mr. EMMANUEL D'ANJOU (Rimouski) (translation): Allow me, Mr. Speaker, to join at the outset with the members who spoke

before me, in congratulating the mover and seconder of the Address for the worthy and eloquent manner in which they accomplished their task. To my friend from Nipissing (Mr. Lapierre) with whom I have the great privilege of being united by a long friendship, I offer my most sincere congratulations for the excellent speech he delivered in polished and irreproachable French. He speaks English well. However, for my part, I find him more eloquent when he speaks French. His electors—particularly the French Canadians—have reason to be proud of their representative and I feel certain they will acknowledge their appreciation and gratefulness when the opportunity lends itself. I am delighted to be able to sincerely congratulate the hon. Minister of Justice (Mr. Lapointe) on his appointment to that important post. I know he will be a credit to us in his new functions, as he has always been to his compatriots in all the high offices he has filled. As to my friend, the member for Richelieu (Mr. Cardin), I may tell him that all his fellow-members, and particularly those of the province of Quebec, rejoice in seeing him at the head of the Marine and Fisheries department. No doubt he will distinguish himself in that sphere as he did at the Bar, in parliament and everywhere else. As I feel in a complimentary mood, let me, Mr. Speaker, sincerely congratulate the right hon. Prime Minister of Canada (Mr. Mackenzie King) for the worthy and truly Canadian manner in which he represented our country at the last Imperial Conference held, last summer, in London. He was the predominating figure at that conference. His firm stand on Imperial questions and his great eloquence drew upon him the admiration of all the members of this important gathering. Our distinguished Prime Minister maintained in London, as in Canada, his lofty views in regard to parliament's supremacy. He did his duty as a Canadian patriot and the stand he took at that Imperial Conference is highly to his credit and does honour to his country and fellow-citizens. Therefore, when the people of Canada will be called upon to give their appreciation as to the policy followed in London, by the eminent leader of the Liberal party, they will not hesitate in their choice between the Prime Minister and the fierce imperialist who leads the Conservative opposition in this House and through the country.

The Speech from the Throne, this year, is certainly one of the most important and substantial ever communicated to this House by a government thoughtful of the progress and the welfare of the Canadian people, and anxious of strengthening the union which must exist between all the provinces forming part of the Canadian confederation. The announcement of reductions in taxation, the removing of duties on instruments of production and especially on farm implements, the balancing of the budget, finally, all the progressive reforms promised in the Speech from the Throne, will, I am fully convinced, be acclaimed with joy by the Canadian people. The removal of duties on the implements necessary to farming will turn to the advantage not only of the western farmers, but also to those of the east. It is a measure of simple justice. And, as a Liberal, I am proud that it is a Liberal government who grants this great blessing to the farmers of this country. I feel doubly proud because I have the honour to represent, in this House, an essentially farming community, a county, I may say it with pride, most progressive and most advanced in regard to agriculture, as in all other respects The farming industry is the first and most important of all our industries. The soil is the great foster-mother, and it is worthy of the attachment and zeal of all those who have at heart the welfare and prosperity of this country. It is the foundation of progress of all nations; and all governments conscious of their duty and responsibilities, must be ready to make the greatest sacrifices to promote its development and reap its greatest yield. I am confident that the government will not rest there in its liberality to the farmers. Not only do I hope, they will not discontinue the grants for agricultural purposes to the provinces, but that on the contrary, they will be increased to their utmost. Economy is an excellent thing, but it must not be practised at the expense of the farming community. There are departments where the government can economize without it being detrimental to anyone. The estimates of National Defence should be reduced to their simplest form. If, indeed, there is a quarter where the government can and should realize the greatest savings, it is in the Department of National Defence. Requests for drill sheds or armouries must be thrown out fearlessly, not a cent should be spent on drill or training camps. It is in these respects that a wise and intelligent economy may be carried out in the best interest of the country, and this without discriminating against anyone.

Now, I come to the distressing problem of immigration and exodus of our people towards the United States. In my humble opinion, the wisest, the most patriotic, the best Cana-

dian policy, would be to use all possible and imaginable means to keep the toilers of our land, at home. When a Canadian family emigrates to the United States, it is, generally, a loss forever to our country. The father and mother may, perhaps, feel the influence of that powerful craving for one's country, this home-sickness for their dear Canada, but the children will never want to return to farm the land of their forefathers, because, across the 45th parallel, they will have acquired the habit of an easy life, filled with many attractions appealing to them. The repatriation of Canadians must, indeed, be encouraged, but it would be infiinitely preferable to arrange matters in such a way, as to keep our people in this country. The money spent to induce immigrants would be much better employed if it were spent to encourage our compatriots to remain on Canadian soil.

Some spoke of the country's debt, and it is inquired, who shoulders its responsibilites. The leader of the opposition, the late Prime Minister (Mr. Meighen) toured the province of Quebec during last summer, and, in every place he visited, he criticized the government in regard to the debt and taxes. What he forgot to tell the people of that province, but what they all know, thank Heaven, is that our foolish war venture is the cause of our country's present financial situation, and that the first one responsible for this state of affairs, is the leader of the opposition himself. And when he has disappeared not only from the political scene, but from this world, we may include in his epitaph, the stigma of the great national bankrupt. Is he not, indeed, the same person who, at the outset of the Great War, stated, at Winnipeg, his willingness to put the country in bankruptcy to save the British Empire? He has kept his word: the Empire is saved, the country is in bankruptcy. But that was not enough. Even after the war they continued to squander the public funds. The leader of the opposition forgot to tell the people of Quebec that the war was over when his Government lent $25,000,000 to Roumania, $25,000,000 to Greece, under the plea of feeding the people of those countries who suffered from famine. We learned afterwards that this money was lent conditionally to its being spent in Canada; those enormous sums were used to favour the friends of the government, and, to feed the Greeks and the Roumanians, boxes of nails and barrels of paint were sent to them. Among those who profited by the granting of those contracts were to be found a Conservative member from New Brunswick, and another Conservative holding an important office in the Meighen cabinet. The whole country is fully aware that our critical financial situation is due to this war folly, and, that the principal author, not to designate him as the sole author of our woes, is the leader of the opposition.

The leader of the opposition suddenly unfolded a great love for the province of Quebec and the beautiful French language. He one night dreamed that he had to fall in love with the province of Quebec in order to secure certain electoral gains. It was then he organized with all his lieutenants, the Montys, the Belleys, the Fauteux and all the others, a great touring trip through the province of Quebec. A little French speech is prepared for him which he mumbles out from place to place, and behold this gentleman travelling throughout the province trying to make us forget the aspersions that he and his party heaped upon us.

If the leader of the opposition is sincere in his love for the province of Quebec; if he professes any friendship towards the French-Canadians of that province and Canada, why does he not ask the Prime Minister of Ontario to blot out immediately from the statutes of that province the iniquitous regulation XVII; if he is truly sincere and wishes to carry some sway in the province of Quebec and among the French-Canadians, let him force Mr. Ferguson to abrogate the accursed and odious law.

The leader of the opposition does not wish to recall that he has been the foremost insulter of our province and race and the partisans that were at his side carried on the same dirty work. Let him not forget one thing: the people of the province of Quebec are always true to their motto, Remember. They will remember that during the Great War, if we have known days of sadness and mourning we owe them to the leader of the opposition and his party; on the other hand they will remember that they can place their confidence in the leader of the Liberal party, the right hon. Prime Minister, who preserved his good common sense when most of his compatriots lost their heads during the war, and who, faithful to his principles, being first a Canadian, knew how to side with those who wish to protect their country before saving the Empire.

During his rambling through the province of Quebec, the leader of the opposition was, according to his programme, to pay a visit to Rimouski, but he did not put in an appearance. As the leader of the opposition speaks and understands French well. I greatly regret that he is not in his seat to listen to what I

shall read. He must, no doubt, have come across this article published in "Le Progres du Golfe" edited by my friend, Mr. Couture, notary, whose independent mind and integrity are well known. Here follows what is stated in this article dated November 30, 1923, in regard to Mr. Meighen's visit to the province of Quebec, organized by Messrs. Monty and Fauteux:

Bear Showmen

On several occasions, Messrs Rodolphe Monty, A Fauteux and a few others bring over Mr. Meighen into the province of Quebec so as "to show" him. Their action is well-meant but. . . they will be wasting their time and money. The province of Quebec has registered against the past policy of Mr. Meighen so energetic and unanimous a protest that his very few Quebec lieutenants should husband something more than a reminiscence of it.

The wild imperialism of which this ex-Prime Minister gave proof in latter days, has so much disgusted those whose country is Canada first that they have vowed to his person an abhorrence which will probably only die with their generation. To try and slip us over again this sorry personage after having given him a sirupy coating of protection and the velvet of a recent smattering of French, is to show that one has time to waste and that one takes the French Canadian to be a kind of a rustic that can be fooled easily, assuming beforehand that he will lack the courage of remembering past insults.

Messrs Monty and associates are quite at liberty to remain faithful to their political party; it is their unquestionable right and we even admire, to a certain extent, their tenacity, notwithstanding the discredit into which their leaders, of yesterday, have fallen in our eyes. Nevertheless, siding openly with a man who is primarily responsible for the stampede, and who, has behaved in such a way that he succeeded in loading the Conservative party, in the eyes of the masses, at least, with all the sins of Israel, is to go the limit.

Mr. Meighen stated at Victoriaville that he would rather be in the opposition. His philosophy reminds us of the fox who found the grapes too sour. He tells us that Mr. King is marking time, but what would he do in the latter's place, he, the intriguer "per excellens"? We should be glad to know.

The man whose policy has been so clumsy that it roused one against the other all the provinces of the Dominion, is a man unworthy of the confidence of people who wish to find the greatness of their country in the peace and harmony between the races.

We have not met Mr. Meighen personally, but we know his political leanings, his whims for imperialism beyond all measure. This is sufficient to justify both the denial of our confidence and our hope to soon see certain Conservative leaders cease, once for all, of being bear showmen.

BAYARD.

It is evident, Mr. Speaker, that the leader of the opposition read or heard of this article, for he thought it wise to abstain from visiting Rimouski.

At all the meetings at which he took part in the province of Quebec, he glorified himself of being the author of the compulsory Military Service Act; he stated at all these gatherings, that he would have no hesitation in acting the same way, if occasion offered, and, he further added that if he had imposed this odious measure on the country, it was because it was absolutely necessary. I contend, Sir, that the leader of the opposition is unable to establish, before an intelligent audience, that conscription was a measure of urgency. No, a country like ours, with limited resources, both in men and money—which during the war accomplished the gigantic task of sending more than 500,000 volunteers oversea, to take part in the bloody European war, was not deserving that this iniquitous conscription act be forced upon it. Should not Australia have given more than us, a country four-fifths English, proof of her love and attachment to the British Empire? Nevertheless that country did not think fit to pass so extraordinary a law as that of conscription, and, twice, in a referendum as well as a general election, it threw out the measure. South Africa acted in the same way.

The leader of the opposition is unable to justify the position he took. If the compulsory Military Service Act was forced upon us, it was not so much with a view to sending more men to the front—for there were thousands and thousands in the training camps, both in England and in France who but awaited the signal to leave for the firing line—but it was purely and simply a scheme to divide the Liberal party, so as to make it easier to carry the elections. That was the principal aim of the leader of the opposition. The result which followed proved conclusively that such was truly the aim of his scheme. I challenge him to come before the electors of my county to prove that he had the conscription act carried through because it was a measure of necessity. I am fully convinced that at the next appeal to the country, the electors of Rimouski and of other parts of the province of Quebec will prove to him that he had no right to impose such an arbitrary measure. Let the leader of the opposition be not deceived, let him not think that because he came to our province, the people of that province have changed their views towards him. The province of Kuebec is essentially a French province and is polite and hospitable. It welcomed the leader of the opposition courteously but with reserve. In all parts of the province of Quebec, where the leader of the opposition visited, he thought fit to call upon the highest dignitaries of our beloved clergy, hoping by those means to capture their sympathies. But let him not make that mistake. Years ago, Sir John A. Macdonald, then leader of the Conservative party, also undertook to obtain the good offices of the clergy of the province of

Quebec, nevertheless, nursing the thought of crossing them at every turn.

If you will allow me Sir, I will quote to substantiate my assertion, the letter which Sir J. A. Macdonald wrote to Mr. A. T. Galt, on the 2nd of June, 1875. Here is this letter which I have had translated in French, to please the leader of the opposition, as I know that he is to-day very partial towards the French language:

Confidential letter of Sir John A. Macdonald to A. T. Galt, June 2, 1875

I have yours of the 1st and hasten to say that I hope you will use all your influence, and with promptness and energy, to prevent a split in the British wing of the Conservative party. The pretentions of the priests are absurd but they will be fostered and supported by the French of both parties, Rouge as well as Bleu. The true policy is for the Conservatives to use all the priestly influence they can to get a Conservative majority in the local legislature. A Conservative majority in the Dominion Parliament will soon follow and that majority may be trusted to put in full force your Educational clause in the B.N.A. Act, if there is any attempt to trample on the protestants.

The present Dominion Government Mackenzie and Co. have shown the greatest possible amount of obsequiousness to the R.C.'c up here and in New Brunswick and will do so—Must do so—if a religious or educational question arises in Lower Canada. If, therefore, by the action of the British party a Rouge Government is formed, then the British will find themselves thrown over by their Rouge allies, who have learned by experience that it is necessary to be Catholics first, Rouges afterwards. And there will be no use in them appealing to the Central Government, a Government placed in power and kept in power by archbishop Lynch and the Catholic League in Ontario. It would indeed be good policy, or rather good luck, for the protestants in Quebec, if an attempt were made by Bishop Bourget to override the B.N.A. Act in the new legislature. It would bring matters to a head.

Use the priest, therefore for the next election but be ready to fight them in the Dominion Parliament. For that purpose you should be there. The clauses are yours and it would put you in a very strong position to be the champion and exponent of the rights and claims of the British Party. But you can fight this battle successfully only with your old allies.

Yours always,

(Sgd) JOHN A. MACDONALD.

The leader of the opposition seems to be following the same tactics as Sir J. A. Macdonald; he comes to our province to-day to our clergy after having insulted it. He forgot to mention to the electors of Quebec the base outrage perpetrated upon the Jesuit college at Guelph, during the war. He forgot to mention many other things. He has forgotten that he belongs to a clique of fanatics which applies itself to keep down as much as possible the French Canadian element, and which endeavours to crush all those who do not share their views. He is wasting his time at that game, for the clergy of Quebec are too high-minded and self-respecting to be deceived by those honeyed words. When the next general election comes, the leader of the opposition will perceive that his speeches did not produce the effects expected from them.

I shall not, Sir, add anything further, I thank the House for the kind attention given me, and, I wish but for one thing: that during the next recess of parliament, the leader of the opposition will pay a visit to my county; I shall be there with my electors to greet him.

Mr. J. H. HARRIS (East York): Unfortunately for me, Mr. Speaker, and no doubt for some other hon. members, we were not able to follow as well as we should like the remarks that have just been made in French by the hon. member for Rimouski (Mr. d'Anjou). The hon. gentleman had a good deal to say in reference to one of the greatest statesmen whom, in my opinion, this country has ever known, the late Sir John A. Macdonald. I would remind him that there should be coupled with that illustrious name that of another great Canadian statesman, Sir George Etienne Cartier. These two great men have had, in the past, a very considerable part to play in shaping the destinies of this country and placing her in the position she occupies to-day. Had it not been for them our friends in the western provinces would not be here in such large numbers to-day having so much to say in regard to conditions in that part of the Dominion: for was it not these two statesmen who in their day put the Canadian Pacific railway across this continent in order that the sons and daughters of the western country as well as some from eastern Canada might be able to follow their vocation? I have the greatest respect for the hon. member for Rimouski, but I want to tell him that the people of Ontario are not wont to exhibit the same degree of passion as he is apt to do. We in Ontario are suffering a great deal as the result of the war, but we are bearing our burdens and our sorrow; and when the hon. gentleman rises in his place and re-hashes what happened in that strenuous time during which the affairs of the country were governed by the party to which I belong, let me urge him with all sincerity to control his passion and let us all with a united front face the future with confidence in order that we may meet the problems that confront the Dominion.

It was not my intention to take part in this debate, but one of our number having missed the train, it has devolved upon me to come forward. It is with some regret that I note the absence from the House of the backbone of this government. I admire, as other young members of the House admire, such men as the Minister of Finance (Mr.

Fielding) and the ex-Minister of Justice (Sir Lomer Gouin)—the backbone of the government. Under the circumstances I will let any further remarks in that connection be taken as read. I want to congratulate the House, however, on having amongst its members two representative citizens of this Dominion in the persons of, the hon. member for Kent (Mr. Doucet) and the hon. member for Halifax (Mr. Black) who adorn our benches.

Coming now to the Speech from the Throne, I fancy that most hon. gentlemen on a first reading of it thought that it held some promise; but after we have read it a second time, those of us at least who have gone across this country from one end to the other, and who have an idea of things, feel that the Speech from the Throne is not quite justified in many respects. I represent, —like the hon. member for South York (Mr. Maclean)—a constituency of some 110,000 people. This is one of the largest constituencies in Canada, and we feel that the first sentence in the Speech from the Throne is not a true expression of what is taking place in Canada at the present time. The second sentence refers to our prosperity, which it ascribes to production, transportation, employment and trade. With regard to production and what may be regarded as its complement, transportation, would not hon. gentlemen on the treasury benches have been a little more honest with themselves and the country if in the Speech from the Throne they had given thanks to Providence for the wheat production we had last year and, incidentally, for the fair return shown in our railway statement?

Coupled with production and transportation we note trade, employment, public finances, and so forth. It is true that the aggregate of our trade is somewhat in excess of what it was in other years. As a young member of this House I admire the style of the hon. member for Bonaventure (Mr. Marcil) in approaching this subject; I wish that he could impart some of his demeanor to the hon. member who has just taken his seat. In my humble opinion the hon. member for Bonaventure is a statesman. One suggestion that fell from his lips gave me cause for thought; he said, after painting a picture of life in the Gaspe basin, that a large number of the people of that district had found it necessary to emigrate to Boston and the New England states, to become hewers of wood and drawers of water to the people of the south. But in my humble opinion the hewers of wood and drawers of water are left here in Canada. Analyse if you will, the trade returns for 1923, and you will find that our increases in exports are in commodities which require the services in this country of hewers of wood and drawers of water. Our lumber exports increased by 37 per cent; sole leather, which should be made into boots and shoes in this country, shows an increase of 191 per cent, imports of twine an increase of 44 per cent, wool socks of 20 per cent. Since I learned that the hon. member for Halton (Mr. Anderson) was not going to speak to-night I looked up our imports and exports from the point of view of groups of commodities. Take class 6, non-ferrous metals; there our imports reached the figure of $37,532,081, but an analysis shows that these imports represent $32,670,302 worth of finished goods and only $4,861,779 of raw material. In other words, 87 per cent of the goods in class 6 which were imported were finished articles and 13 per cent the raw material. Look at the exports for the same group, do we find the same condition prevailing? No: we find that the raw materials exported in the non-ferrous metal group were 77½ per cent, whereas of the total product the exports were 22½ per cent. Surely this is a condition which indicates that we are the hewers of wood and drawers of water. The same applies to class 4, exports of wood products. Of finished materials exported in wood and wood products there were $82,271,078 worth, or 36 per cent, against raw material exported, 64 per cent, or $146,585,127. The same thing applies to the figures with respect to imports of these products; unmanufactured, $9,758,613; manufactured, $26,086,931—27 per cent of the imports in this class were raw materials and 73 per cent the finished product. This must indicate to hon. members that we are still hewers of wood and drawers of water for the people to the south of us.

Having regard to the programme forecast in the Speech from the Throne, I am satisfied that the young people of Canada will, when they study it, begin to realize that vocations are not being made available to them and that it will be necessary for them to seek another country with that end in view. We have an illustration of this when we come to analyze what is being done with regard to immigration or, more pronouncedly, with regard to emigration. A good deal has been said with regard to immigration, but I am of the humble opinion that not half enough has been said with regard to emigration. The right hon. Prime Minister, in a wild sort of manner, tried to defend this situation, but his attempt was a very weak one. Leading members representing the party opposite have tried to

make excuses for the exodus from this country, and in that respect I am reminded of that sentence in Holy Writ, "And they all with one consent began to make excuse." Excuses will not do for the people of Canada, Mr. Speaker. The people are your masters, and when you come forward with excuses you will be—I would hesitate to say, condemned, but you will be told where you belong.

There is a reference in the Speech from the Throne to the looking forward to the investment of large amounts of capital in this country. As my hon. friends opposite are wont to do, and as they have shown they are able to do in a very agile manner with regard to every question and every issue, they have faced both ways on this question, because in a paragraph further down they shake the whole foundation on which the industrial structure of this country rests. No government can face both ways on the public questions of the day; our people demand a straight, definite, clear policy so that they may know where they are, and the sooner they get it the better. The hon. Minister of Justice (Mr. Lapointe) is smiling to himself, but let me tell him that I am absolutely sincere in what I say. I know the feeling of 110,000 people I represent in this House, and there is more truth than fiction in what I am saying at this moment. These matters affect my constituency very seriously.

The hon. member for Cumberland (Mr. Logan) said this afternoon that we should be the mere image of the people we represent. I should like to be able to acquire that image of the 110,000 people I represent, because over 60 per cent of them live in homes that they themselves own. Twenty years ago my riding had but 10,000 people; to-day it is peopled by a fine class of young citizenship which is equal to that found in any other part of Canada. One of the hon. members from Quebec has said a good deal about the birth rate in that province. Let me tell the House that within a radius of one mile from where I live, including a population of 10,000 people, the birth rate is greater than it is in any other province of Canada. Our friends from the province of Quebec, with all due deference to them, have nothing on us in that respect. These people own their own homes and intend to hang on to them if at all possible. They seek their vocation in the great city of Toronto, and want to remain there as citizens. They took their part in the Great War from 1914 to 1918 to a degree unsurpassed by any other part of the Dominion, and when they express through me a few complaints in regard to the conditions under which they labour they are deserving of some consideration. I am not one to come here and say a whole lot about what we must have and what we must not have, when this fair Dominion is going through the present crisis, but I am going to ask you to bear with me while I say a few words with regard to some of our questions in the city of Toronto.

First and foremost in my mind at the moment is one matter of national importance. I am sorry the Minister of Railways (Mr. Graham) is not in his seat, because I would like to say something to him, although I know he would rise in his place and say that railway matters are entirely under the direction of the president of the Canadian National Railways and the board of directors. In the city of Toronto we have the Canadian National Railways and the Canadian Pacific coming into our fair city along the water front over level crossings. These level crossings in places have as many as sixteen sets of tracks crossing our main thoroughfares, and I have seen as many as thirty motor trucks, some twenty odd horses and wagons, twenty or thirty motor cars, and around five in the evening as many as four or five hundred working people crossing these sixteen sets of tracks. True, these level crossings are protected by flagmen. These flagmen do their duty as best they can, but they have nearly all reached the age of three score and ten, and some day we are going to have a tragedy at one of these level crossings. Farther down the same tracks, there is another level crossing which our people are wont in the summer time to use when going to the Island to get a little outing. There is hardly a day in the summer when there is not a Sunday school picnic and anywhere from one to two thousand Sunday school children with their teachers going over to the Island for a picnic, and they have to cross from ten to sixteen sets of tracks to get to the boats. That is the condition that prevails in Toronto at the present time, and it should receive some attention from the present Government inasmuch as we are the owners of the Canadian National railways, and inasmuch as the Minister of Finance (Mr. Fielding) was wont to say last session that the railways are in politics. This question should receive consideration also from the viewpoint of the convenience of the travelling public and the utilization of our union station, which is lying idle, from the viewpoint also of assisting the trade and commerce of the great city of Toronto, and also from the viewpoint of allowing the industries which are located to the south of these tracks to develop as they ought to develop, and our harbour development to

go on untrammelled as it cannot do at the present time.

I am sorry the Minister of Customs (Mr. Bureau) is not in his seat. I would like to say something to him about his attitude with regard to the city of Toronto. The people of Toronto have no bigotry. I see the hon. member for Saltcoats (Mr. Sales), who eats rhubarb, is laughing to himself. Let me tell him that the city of Toronto was built up by the sons and daughters from the farms of Ontario, the finest people in the Dominion. Let me tell him that the city of Toronto is pouring into the national exchequer each year money by the millions—to do what? To try and hold this country together, to help you out under the conditions under which you are striving. Let me tell the hon. gentleman from Saltcoats and other hon. members of this House who are wont to cry about agricultural conditions that there are no parasites of any kind in the city of Toronto. The people of Toronto who are interested in manufacturing and the like have borne the brunt of the hard times through which we have come, and having built their business on a sure foundation in the first instance, they have, as the hon. member for Hants has said, taken their medicine. They are putting their shoulder to the wheel and are trying to overcome the conditions of to-day.

Now that my attention has been drawn to the city of Toronto by a few smiles which indicate a certain amount of scepticism on the part of some hon. members in this House, let me give you just one instance of what our people are doing. On Saturday morning I went to a certain manufacturing institution in the city of Toronto and asked permission to look at their private records. I took with me the hon. member for Lethbridge (Mr. Jelliff). I opened up the books of this private company, which was established forty years ago by two honourable men, who raised one a family of ten children and the other a family of nine, and who after forty years of hard labour had accumulated a business with a capital of some $452,000; and when I say hard labour I speak advisedly, for these men worked from early morning until late at night, from sunrise to sunset. The heads of this institution, one of these manufacturing institutions some hon. gentlemen are wont to call parasites, sleep in a room at night with a telephone beside their bed and are ready to do business whenever it rings. All their long-distance business is done at night, to save time during the day and, incidentally, because they get a little cheaper rate. They have worked fourteen hours a day for thirty-eight or forty years and have built up in that time a business worth $452,000. Perhaps they are parasites; perhaps not; in my humble opinion they are not. In 1920 they took a loss, without any depreciation or interest of $92,600; in 1921 they took a loss of $37,800; in 1922 they took a loss of $12,731. Interest and depreciation charges in that time amounted to $100,000, so the work of these two stalwart men, with their nineteen children, over a period of forty years was wiped out of existence. I am not crying hard times in this House, but I uphold the men, who after an experience of that kind were found—where? They were found in their place of business at eight o'clock on Saturday morning with their sons in overalls and the head of the institution in a smock going around and doing the best they could—for what? For the future of this country and their children.

Mr. Speaker, when I hear hon. members in this House rise in their place and say that the people in the large centres are parasites and things of that kind, it makes my blood boil. I heard the hon. member for Nelson (Mr. Bird) the other evening say something about the party in this corner of the House. What he said about the egg that was only a nest egg, and only a rock at that, rather amused me. I noticed after he had got through that the bird had not even laid an egg. What we want more than anything else in this country is to get on common ground with one another. We in Ontario love, admire and respect, the people in the western provinces. I represent several thousand people in the county of York. I live on the farm myself during the summer months, in a four roomed house and I know something about farming conditions. I have raised as many as eight and nine hundred hogs at one season. I know what it is to grow five thousand bags of potatoes in a year. In my boyhood I have known what it was to hoe potatoes from early morning till late at night. Mr. Speaker, if you go back twenty years and look up the population in the county of York you will find as many of our sons and daughters have gone to the western provinces as are left to look after the interest of our fair county. Thinking of the remark that fell from the lips of the hon. member for Nelson the other evening that he wanted to see the traditions in the back of the heads of the people who came to that country, I can scarcely understand the views that are being enunciated here by that hon. member. I know that the brothers and sisters, sons and daughters, and

relatives of the people who left the county of York to go west have not in their makeup such sentiments as have been expressed from the left hand corner of this House.

When the sarcastic laughter came from my good friends to the left I was talking about the exodus of some of the people from our country, and I was saying how sad and sorrowful we felt to see these young people quitting Canada. If hon. members will devote a thought to the city of Toronto and to the number of homes there they will see how important this question of employment is. It will be seen that there are quite a number of people engaged in the building trades there, while a number find employment in the province at large. There are some 25,500 heads of families engaged in the building trades in the province of Ontario and last year they drew in wages $28,470,174.

These people have another grievance which I want to explain as briefly as possible. That grievance is against the sales tax. Now, you may wonder how it is that working men have a grievance against that tax. My reason for mentioning the matter at this time is to afford the government an opportunity of reviewing the situation and providing relief before the budget is brought down. According to the act,—taking into consideration the work of stonemasons, sheet metal workers, and builders,—all work done at the job on any particular building is exempt from sales tax; but work wrought in stone or any sheet metal moulded into shape within a factory or shop is liable to the sales tax of 6 per cent. Now, Mr. Speaker, in a large centre of population like Toronto the municipal, provincial and federal institutions, and the citizens generally, are all urged to do as much work as possible during the winter months. Unfortunately, industries of the kind that I have described find that when they do this work in their plants they have to pay the sales tax of 6 per cent. Consequently, in order to avoid that tax they endeavour to have the work wrought as much as possible on the job. The result is that they will hold back building that necessitates that class of work until the weather permits them to get on the job. Representations have been made to the government for a change in the law such as would meet the conditions of these workers but up to the present time no relief has been afforded. I think I will read to the House, if hon. members will bear with me for a moment a few lines from a letter which one of these large contractors has sent to me on the subject:

> I might say that we have at present a large contract on Trinity College, Toronto, and through some persuasion we induced the architect, with an object in view of keeping our men employed, to have certain woodwork delivered at our factory to be covered with sheet metal. This woodwork could be covered on the building and would come under the heading of erection or installation, but we discovered that by doing this in our factory we were subject to a sales tax of 6 per cent on the labour only, and we made inquiries through the Customs department, and their ruling was that we had the option of doing the work at the building and avoiding the sales tax or doing it at our factory and paying sales tax. In other words, they did not consider the men being out of employment, their business was to collect the sales tax.

Mr. Speaker, conditions in Toronto between contractors and their employees are very amiable. They work together for the good of the citizens to the very best of their ability with the happiest results. I have also a letter from the international representative of the Sheet Metal Workers on the same subject addressed to the Hon. James Murdock, Minister of Labour, Ottawa, Ontario. I think the minister is going to follow me, and I hope he will take a note of this matter. Perhaps he will promise us to-night that some relief will be granted. The extract I wish to read is as follows:

> It has been the policy of our employers in past years to try to get enough contracts ahead, that would keep their regular employees busy during the winter months, by making this work from detail drawings for construction jobs.
>
> If this sales tax is continued on labour in our trade, the results will be, that our employers will stop making this work in the shops and will avoid paying this extra 6 per cent tax on labour, by waiting till the buildings are well under construction, and have all our work manufactured on the job, the results of this will be detrimental to our members, placing 60 per cent of our membership on the unemployment list, for the winter months, and in our opinion will only slightly increase the revenue to the Department of Finance.
>
> While this will affect our trade greatly, on building construction work, it also affects a number of other building trades unions to a large extent, and I feel assured that in the interest of labour you will take this matter up at your earliest convenience, to the end that this coming session of parliament will amend the act, to apply on material only, so that our members, and many others will not be added to the unemployment list during the winter months of 1924-25.

They received a reply from the Minister of Customs and Excise and also the Minister of Labour. In that reply, according to the document I have in my possession, both ministers evaded the question at issue entirely, and merely quoted for the benefit of the contractors and their employees a part of the act.

Mr. MURDOCK: Will my hon. friend read the reply from the Customs department?

Mr. HARRIS: I have already written for that reply, I have not got it here. If the minister would like me to read another letter from the international representatives of some

of these unions denouncing the government in terms a little stronger than I would care to use, I should be pleased to do so.

Mr. MURDOCK: We know there are some Tories amongst them.

Mr. HARRIS: I have a letter here and am prepared to read it for the edification of the House. Perhaps I might furnish the minister with a copy. It is from A. J. Crawford, international representative of the Amalgamated Sheet Metal Manufacturers and is dated February 18, 1924. Evidently the Minister of Labour has had enough.

I was talking about some of the things that are affecting the citizens of Toronto. One of them is the necessity for better custom house accommodation. The exchequer benefited from Toronto last year to the extent of $50,000,000 from customs and excise receipts, and this year the amount will reach $60,000,000. Business men who have to pass their entries are complaining about being kept for three or four hours at a time in order to get their entries through. The facilities are absolutely inadequate for the vast amount of business requiring to be done. I bring this matter to the attention of the Minister of Public Works and the Minister of Customs and Excise in the hope that they will give it their serious attention and grant some relief to the people of Toronto. I am glad the Minister of Public Works is here to-night to hear what I have to say with respect to the matter. It is an unfortunate thing that we do not get as large an attendance of ministers every day as we should have. Something is always happening to keep ministers away.

The first minister is not present to-night, and no one knows which minister is acting for the Post Office Department. But let me point this out: The city of Toronto yields a greater postal revenue to the Dominion exchequer than the city of Montreal and all the rest of the cities in the province of Quebec combined. Yes, and all the towns in Quebec added to that, all the Quebec centres of population of over 10,000 added to it, and you still have to go some to reach the postal revenue received from Toronto. They speak of this government studying economy and retrenchment, something which I very strongly advocated myself last session and again advocate just now. I ask this government to look into the matter of postal service in our large centres, and endeavour to get back to the pre-war rate for drop-letters, not only in Toronto but in the whole of the Dominion. I am satisfied that the increased volume of business which they would receive would in part compensate any loss the government might sustain in this direction.

I have told hon. members once or twice to-night that I am supposed to do my best to represent 110,000 of the finest people in the Dominion of Canada. I notice in the Speech from the Throne that a redistribution bill will be brought down. I also remember very well that the first minister of the Crown promised this House that that measure would be equitable. I earnestly trust that he is sincere in that, and I sincerely hope the government will give the home-loving people of the constituency I represent adequate representation in this House. I am satisfied to represent 110,000 people in this House, if everyone else will do the same—anything to cut down the overhead in running this country. We can carry on with one hundred men and women in this House, if we will. I would do anything to cut down the excess county councils, city councils and all sorts of municipal bodies which exist at the present time. We have too much legislation. It is costing us too much. At the same time if we are going to continue with 244 seats in this House, if we are going to carry on the programme the way it is proposed, I do not feel disposed to represent 110,000 people in the House, in all fairness to my constituents, because I feel convinced that they possess a degree of brain power equal to that of the people in North York, for instance.

Mr. GRAHAM: Take West York.

Mr. HARRIS: I am quite open to anything the hon. Minister of Railways (Mr. Graham) will suggest. I am sure the first minister of the Crown when he makes his appeal to some 30,000 people—I do not say that he will be successful at the next election—will not be addressing an audience which is any more intelligent than an audience in East York, representative of 110,000 people. I trust this government will see to it that we have a just and equitable redistribution, so that all kinds and classes of citizens will have more or less equal representation in this House.

An hon. MEMBER: Louder.

Mr. HARRIS: The hon. gentleman says "louder." I was just speaking about the first minister of the Crown. Some years ago I was in a little village called Bolton in North York. The first minister of the Crown —and I am sorry he is not here to-night— was telling the populace about the great principles of the Liberal party. An old gentleman in the back of the hall rose and said

"louder." No attention was paid to him and a few moments later he again called out "louder." In the middle of the hall was another man who was much older than the man in the rear of the hall, and who knew something about politics and other things in the Dominion of Canada; he rose and said to the gentleman who was calling "louder," "It is all right my friend, sit down and rest yourself. He is not saying anything anyway."

I am absolutely sincere in what I have said to this House, and I believe that everything I have said up to this moment is absolutely true, and it is in the minds and hearts of the people of Canada. If my hon. friend does not think so, I will pass the hat around this assembly and gather enough money to buy a box of cigars; I will place him on a railway train, let him sit in the smoking car, travel from Halifax to Vancouver, and listen to what he hears from the public—and what he will hear on the trains in Canada is from the lips of salesmen, business men, people who are wont to travel, people who in the first essential are optimistic, because otherwise they would not hold down the positions they occupy—and if he can come back to this House and say to us, that the conditions under which the Dominion is operating at the present time, due to the policy of this government in part, are what they should be, or if he can say that 40 per cent, or less than half, of the people he meets are satisfied with the government that is functioning here and now from the treasury benches, then I will give him my seat in this House.

Last session, Mr. Speaker, I suggested to the House that in the interests of the people of Canada we should have a free, frank, open discussion, so that the people could get some idea as to the magnitude and the necessity of the deepening of the St. Lawrence waterway, in order that they could express themselves as to the necessity or non-necessity of the work. I was criticized by the hon. Minister of Finance in his budget speech for making that suggestion. I welcome criticism. I did not like to interrupt the minister because I sympathized with his predicament at that time. I realized the strain he was under due to the many duties he had to perform. But let me answer the minister now. I am sorry to have to do it in his absence. The words and sentiments which I expressed last session are now coming to life. The government have faced both ways on this question and now they are facing our way. The Montreal influence must have slackened or been diverted in some way or another; and the government came forward with the announcement that they have made representations to Washington and I trust it will not end up with correspondence only, but that they will put before the people of the country the necessity of this project being put through to a conclusion.

Some of us who do not know a great deal, perhaps, about matters political have been wondering why it is necessary for the first minister of the Crown and one-half of his cabinet each year to go abroad and attend all kinds of conferences, Imperial, economic and labour. I suppose the necessity is there; but with only a population of nine million, with this country scattered as it is, with the differences of opinion and the necessity for all getting together upon common ground and trying to get a definite policy which will be more satisfactory than the present one, in my humble opinion it is time the people of Canada demanded of the ministers a little more of their time at home, a little less travelling abroad, a few more conferences within the Dominion itself, not a hurried conference with Premier Dunning and the member for Marquette, (Mr. Crerar) taking place perhaps in a day or two days, not a case of bargaining or something of that nature, but let us have a big, open conference, let us put all our troubles into the pot, and see if we cannot bring forth a policy which will be more satisfactory than the policy we have at the present time. I like to feel that I can advocate something which not only bears on my own constituency, but something which will work for the general good of the people of the Dominion.

Last year I said something with reference to the province and city of Quebec. I ask you to think of that line of railway which we have lying on our backs, that Grand Trunk Pacific, running across the northern part of that province. I advocated very strongly that our western friends urge the government to do everything possible to have the freight rates from Winnipeg to Quebec city lowered and to have better port facilities provided for Quebec city so that our western friends would have lower carrying charge and better facilities for getting their products to the markets of the world. Some notice was taken of that. I notice that 5,000 cattle were shipped from Quebec to the old country last year. I hope the number will be 15,000 this year.

Some hon. MEMBERS: Hear, hear.

Mr. HARRIS: The Minister of Labour (Mr. Murdock) says: "hear, hear." If the Minister of Labour will stay at home next

summer and apply himself to some of those questions, that will be a good thing for the people of Canada. I cannot see where he has given much application to the problems of Canada. I see his name in print now and again. I hope he will explain why it has been in print to the extent that it has been lately. He follows me, so I must hurry on as I want to give him plenty of time and opportunity to reply.

I rather hesitate to speak of conditions and development east and west, because apparently the leader of the Progressive party (Mr. Forke) represents western Canada in this House and nobody else is supposed to know anything about it. The hon. gentleman becomes rather amused when a member representing a manufacturing centre desires to say anything about the West. He was amused because the president of the Canadian Manufacturers' Association had something to say about conditions in the West. Let me tell the leader of the Progressive party that when anyone that I have met in the manufacturing industry hears things which emanate from the lips of western representatives, he is not amused, not very much amused. He sits down as a rule and tries to analyze it. He tries to get some meat from the suggestion and to get on common ground with them and their theories and ideas, and anything that I have ever advocated on any platform in any part of Canada has been along similar lines. We listen to what they have to say. We pay not very much attention to some of the theories that are advanced. We do not like some of the expressions that emanate from that corner of the House. Such things as breezes blowing in the mulberry trees, and the possibility of your pulling away from us make us feel bad. Nevertheless, as regards remarks which have a bearing upon the condition of the whole of Canada and which emanate from the hon. gentlemen who are represented in this group, we try in a sympathetic way to hear your version and we will try to meet you on common ground. We realise that your markets are, perhaps, not all in the Dominion of Canada. There is not enough of a market here to take care of everything that you produce. But we ask you in turn to realise that the industrial centres of population in Canada are consuming a large proportion of your products. An hon. member from the West spoke about parasites. One of our own United Farmers of Ontario said something about "where the carcass lies, there go the eagles," and he was helped out by the Minister of Railways (Mr. Graham) who said: "there go the vultures." Let me tell the Minister of Railways that the vultures in the cities and in other large centres are the sons and daughters of the people who come from the country. We resent those statements. I know the minister was only joking, but such statements have a bad taste in the mouths of the people of the cities.

Mr. GRAHAM: I was correcting a quotation.

Mr. HARRIS: I appreciate that the minister was correcting a quotation, but, incidentally, he was more or less agreeing with the quotation. The Solicitor General (Mr. McMurray) quoted Emerson, and although I rather hesitate to do so, I am going to quote Emerson for the information of the House in the matter of vultures and so on. Emerson says:

> Any body politic or otherwise that is wont to follow a policy and follow that policy beyond the realm of the good of the people in any body or any country will find that that policy will turn to carrion, and that carrion will be a stench in the nostrils of the people of that community.

I say to the hon. member for East Lambton (Mr. Fansher), who is wont to talk about the eagles and carrion, that in the province of Ontario on June 25 last we had an example of what happened when Drury carried their policy so far in Ontario that it became carrion and a stench in the nostrils of the people of that province, with the result that on June 25 his party were put in their place and another party was put in charge. I do not like those expressions. We are all one people in this country. We in the cities are no better than you people in the country. We realize that you are good citizens, but we feel that we are as good citizens as you are. We want to get on common ground with you. We want you to intermingle with us and to help us out in our difficulties, and we in turn will help you out in yours.

In that connection I have much pleasure in supporting the amendment moved to the Address in reply to the Speech from the Throne. I support it whole heartedly because I know there are coming into this country at the present time a large number of commodities which can be grown on the farms of Ontario, the good province of Quebec and the provinces of the West. The grain imports last year amounted to $11,100,000; vegetables, $4,800,000; without any rubber. The hon. member for Lisgar (Mr. Brown) will be worrying about the rubber, but there is no rubber in these imports. Fruits amounted to, $26,000,000; nuts, $3,600,000. This makes a

total of $45,500,000. If this government feels disposed to impose a tariff against them to raise revenue and incidentally to keep them out of the country, and if the government feels disposed to make us eat rhubarb by keeping bananas out of the country, I say more power to them and I will support them. In this way they will be raising a revenue by keeping these commodities out of the country and incidentally giving more markets for the products which the people who live on the farms are able to produce.

A policy which will help our large centres of population in this matter must be the policy in vogue in this Dominion, if we are going to keep step with the other nations of the world. It is hinted in the Speech from the Throne that the government is going to do something drastic with an industry that has been established here for some time, the agricultural implement industry. Does this government honestly believe that it is doing the people of Canada any service by intimating to this one industry that it is to be the goat for bargaining for the support of our friends to my left? Do my hon. friends opposite not know enough about the agricultural implement business to know that they are only driving the few scattered businesses that are at present working in Canada together into one great combine probably centred in Chicago? In the final analysis, are you not going to pay just as much for those implements if you drive the industry into the hands of one concern? I know some hon. members will be thinking of watered stock and all that sort of thing. There are about 110,000 people in my riding. Upon an analysis of the businesses in that particular riding I find that there is not one which has any watered stock. This talk about watered stock is all humbug. There may be an isolated case of watered stock, but as a general rule there is very little in the business of this country. Furthermore, so far as my own riding is concerned, I do not know of one man who is worth five hundred thousand dollars; nor can I recall more than two or three who are worth more than a hundred thousand dollars. There are more men in this group beside me worth more than a hundred thousand dollars than there are in my riding. Now, these industries are employing a number of very good citizens; they are employing some of our sons and daughters who are a better type of citizens than you could bring into the country by any system of immigration that you may have at the back of your minds. Certainly they are better than the people you could get by the scheme partly enunciated by my hon. friend from Prince Edward Island (Mr. Sinclair). These people desire to stay in Canada; but if this government persists in the policy which they have enunciated—as a matter of fact they have not enunciated any policy; they have merely hinted that they are apt to do something in this direction—then I sincerely believe that they will do untold damage to the prospects of this Dominion. I am sincere; I am as sincere as is the hon. member for Nelson. I am sorry in a way that he was so sincere, because I could not agree with his views. But I am satisfied that if the government follow the policy which they hint at they will upset the industrial fabric of this country to an incalculable extent.

As I said at the outest, Mr. Speaker, I did not intend taking part in this discussion; I have merely been filling in, so to speak. There are half a dozen things which I should like to touch upon but I shall have to leave them until a later day in the session. However, let me close for the present with one statement which I think is of general interest to the country. We are ready and are very anxious to get on common ground with the difficulties that our people in the western provinces have, and we ask in behalf of the people in the large centres of population that those of the West shall try to get on common ground with us and help to bring this Dominion to the position which she should hold within this Empire.

Mr. D. M. KENNEDY (West Edmonton): I desire to congratulate the mover and seconder of the Address on the speeches which they have delivered in this debate. With regard to the Speech from the Throne, there are I think a number of paragraphs which would indicate that the government intend to go at least some distance in the direction in which I myself and some other members in this House would like to see them go. And from the speeches that have come from hon. members to my right it would seem that they expect that the government will travel some way in that direction. Without committing myself to any approval of the Speech in all its details, I will simply say at the moment that we will wait and see what the results will be when the budget comes down. So far as the legislation that will be introduced to the House is concerned, the general tone of the Speech indicates that the government is willing to go a part of the way with us and to give us at least some of the things for which we have been asking for a number of years. I do not know whether this will be considered as bargaining for support or not; I do not know

whether hon. members to my right will describe it as dishonourable bargaining. But if the government comes down with legislation which I believe to be in the interests of the country, legislation which we have been asking for, then of course it will simply put us in the position that will compel us to support them. If that is bargaining, hon. gentlemen may so describe it; but that is the position that we shall find ourselves in.

We have before us an amendment which is somewhat vague. There is an expression of regret with regard to present conditions in agriculture. There is the statement that the Speech from the Throne—

> While embodying a distinct threat to an important section of industry, contains no promise of legislation which will tend to retain and enlarge the home market for our own Canadian producers.

That suggests that the mover of the amendment would still further protect our manufacturing industries and in that way give us a larger home market. We have been following that policy in this country for a good many years. It was in 1878 that there was introduced in Canada the National Policy which was going to make this country independent of foreign countries and give our farmers a home market that would make them completely independent of the rest of the world. I have taken the trouble during the last few days to compile some figures with regard to what this National Policy has cost Canada. When criticising the budget of 1921, on May 10th, the present Minister of Finance (Mr. Fielding), speaking about the reductions that had been made in the Liberal tariff, after the Liberals had come into power in 1896, made the following statement, as may be seen by reference to page 3151 of Hansard of the year I have stated:

> But it must be remembered—and economists, I think, will agree—that the saving you make in a case like that is not to be measured only by the amount that you did not pay into the Customs; you have to take into account also the check that was put upon the rise of prices at home, and that for every dollar saved to the people in that direct way probably two dollars were saved in the difference between the prices prevailing and those which would otherwise have been charged by the home manufacturer.

Taking that as a basis on which to compute what this National Policy has cost us, I find that the total revenue collected as a result of the tariff from 1879 to 1922 amounted to the large sum of $2,310,417,676. If assistance has been given to the manufacturing industries of Canada to twice the extent of the customs collections, it would seem that they have received assistance to a total of four billions. I suppose there are some who will object to that on the ground that in some cases farm produce is protected. However, I will try to show later on that the customs tariff, so far as the farming industry is concerned, is absolutely useless as a means of keeping up prices. In any case, according to the statement of the Minister of Finance, and taken in conjunction with the total amount of customs revenue collected in Canada from 1879 to 1922, the National Policy has cost this country four billions of dollars. I cannot help thinking of that fact when I hear hon. members talking about the sales tax and the income tax. Whatever objections there may be to the sales tax and to the income tax, I do not think it means such a tremendous additional cost to the people over and above the actual amount that goes into the treasury as is involved in the tariff. We have heard a good deal of argument with regard to objections raised by people of the West against the continuance of this protective policy. The hon. member who preceded me (Mr. Harris) said that hon. members on his side were willing to take the matter up with us and find out if we could not get on common ground. Well it is going to be an exceedingly difficult matter for us to get on common ground if we pay and they collect; if we have to pay this protection while industries centred in Toronto and other industrial communities throughout the Dominion get the advantage. I do not see where there is any equity in that, nor am I convinced that the government can provide for taxation for industrial organizations in any other way. We do not produce any revenue here; we do not create any wealth, and when we follow a policy of this kind we are merely taking money out of the pockets of the people who are unprotected and putting it into the pockets of the people who are protected.

I find that though we have given this tremendous assistance, especially to the manufacturing industries, the total invested capital of those industries in Canada, according to the Canada Year Book of 1921, is just a little over three billion dollars. So it would seem that we have actually, through the operation of the customs tariff, provided them with sufficient to pay the whole invested capital in those industries throughout the Dominion. We have about three billions in manufacturing industries, about two billions in railways and about three billions in the value of farm property. Whatever benefits may have come to any part of Canada from such a policy as this have cost the rest of Canada more than they are worth. You can pay too much for anything, no matter what it is, and I think in this regard we have paid too

much for the protected industries of this country. The result has been that manufacturing has got far ahead of what it ought to be. I have before me an article by C. Howard Smith, President of the Canadian Manufacturers' Association, published in the Canadian Congress Journal for February, 1924. It says:

> Our taxes at present are staggering. Why? Chiefly because of the smallness of our population. Our overhead is too great. We have enough machinery now in Dominion, provincial and municipal governments to govern fifty millions of people, instead of nine. We have enough railways to serve two or three times our population. Our present system of manufacturing, banking, retailing and wholesaling could provide for the wants of many additional millions, with very little additional expense. Our taxes are only high in proportion to our population.

If the manufacturing industries of Canada can only exist behind a large protective tariff, what is the use of having them developed far ahead of the needs of the country? In the very nature of things that result is undesirable. The surplus, if there is any so far as manufactured goods are concerned, has got to go out of the country to compete in outside markets, in countries which in many cases have depreciated currencies, countries which, the manufacturers claim, have large advantages when it comes to manufacturing articles that are similar to those produced in Canada. If they can compete outside of Canada, why not inside? If they cannot compete outside, then they have got to restrict their output to the needs of Canada, and there should not exist a tariff which develops industry far in advance of the needs of the country.

When our farmers were flooding into the West, when there was plenty of free land, the situation was different so far as the agricultural implement industry was concerned. I had some relations with one of the large machinery establishments in the West and I remember the time when a man on the frontier at the end of the railway, selling agricultural machinery to a large homestead area, would sell a tremendous amount; it was stated that one agent sold a quarter of a million dollars' worth in one year. In those boom days, with protective tariffs, and with a large market owing to the settlement of western Canada, the manufacturers went on and made money. Thinking that it was a permanent thing in Canada, I suppose, they developed their industry far in exess of the needs of the country as they stand to-day, and the result is that they are having hard times. We have possibly too many industries; we certainly have too many if they cannot compete outside of Canada. So we are being bombarded to-day with requests for more protection and more help from the Dominion. If with all the assistance which has been given by the Dominion to these manufacturing industries, and particularly by the people who are unprotected, they are unable to stand on their own feet, then I want to say that the policy has miserably failed and the sooner we get away from it the better.

Owing to the financial strength which these industries have attained due to the generous policy pursued by the Dominion, they have been able to hire brains; they have built up splendid marketing organizations, and in a great many cases there has been established complete monopoly of the sale and distribution of the products, which is another thing that enables them to take full advantage of the protective tariff. When anybody says that we can protect agriculture as we have protected industries, I say that we cannot do it. It might be possible, if we got wheat pools in western Canada, or one wheat pool that would control the output of the western farmer, to take advantage of a protective tariff, but we cannot do it as long as we are selling individually as we have been doing. There was a time when we had a monopoly organization marketing Canadian wheat—the Wheat Board of 1919; and the government of that day understood this principle very thoroughly. I have before me Order in Council No. 1589, dated at the Government House, Ottawa, Thursday, the 31st day of July, 1919. It says:

> The board shall have power from time to time:
>
> (a) To take delivery of wheat in Canada at any point.
>
> (c) To sell wheat so delivered to millers in Canada for milling purposes at such prices and subject to such conditions as the board sees fit, the price of sale to millers being governed as nearly as may be by the price obtainable at the same time in the world's markets for wheat of equal value, regard being had to the cost of transport, handling and storage.

That is a provision, I take it, to prevent the board from taking advantage of the Canadian consumers at that time.

The hon. member for South Oxford (Mr. Sutherland) who moved the amendment to the Address bewailed in his speech the fact that there was imported into this country during the last nine months of the year 1922 $130,000,000 worth of vegetable products, mainly foodstuffs and animal products. I take it that was a hint to the agriculturist, though it is not very clear, that if the party to the right should come into power they would do something to protect the farmer by keeping out those products. Since that speech was delivered I have taken the time to look up the trade returns and find out what these

agricultural, vegetable and mainly food products comprised and the amount imported. The agricultural and vegetable products are divided into groups (a) and (b); (a) is mainly foods and (b) vegetable products other than foods. I will not take the time to read the amount of each article imported during the year ending March 31, 1922, but I have the details here if anyone cares to see them. But the articles that the hon. member for South Oxford apparently would keep out of the country because, as he said, they could nearly all be produced on the farms of Canada, are these: Bananas, currants, grapefruit, lemons, limes, oranges, pineapples, strawberries—I have included strawberries because they are imported into this country early in the season when the home-grown strawberries cannot be had. For instance, on the Canadian National diners you can get ripe strawberries now. They of course, were not produced in Canada. To continue with the list: dates, sago, raisins, olives, cocoanuts and preparations, walnuts, almonds, sweet potatoes, Indian corn, rice, sago and tapioca flour, cocoanut oil, cottonseed, cottonseed oil, olive oil, palm oil, peanut and sago bean oil, sugar, cocoa and chocolate, coffee and chickory, spices, ginger, mustard, nutmegs and tea.

The total amount of agricultural and vegetable products, mainly foodstuffs, imported into the country during the fiscal year ending March 31, 1922, was $117,346,000 worth, and the total amount imported of the articles that I have mentioned, and which I claim could not be grown in Canada except at a ridiculous increase in cost was $100,770,000, or about ninety per cent. So if the amendment is based on the idea that we are going to keep out by means of a customs tariff these products that are now being imported into the country, it is based on false premises.

Referring to the protection given to Canadian industries I would like to quote a few figures in connection with the distribution of securities issued by joint stock companies engaged in industrial enterprise in Canada, agriculture excepted, as of December 15, 1921. These figures are taken from a pamphlet entitled "Some Economic Needs of the Dominion of Canada," and was submitted to the tenth annnual meeting of the Ontario Associated Boards of Trade and Chambers of Commerce at Hamilton on November 15, 1923. I quote these figures because we have heard a great deal of the cry in western Canada of "Canada for the Canadians—patronize home industries," implying that by buying Canadian goods we would be keeping the money in our own country and be building up the Dominion as against foreign competitors. Here is the grand summary of fifteen groups engaged in industrial enterprises:

Stocks	
Canada..	$2,020,733,783
Held by residents of Great Britain..	226,616,055
Held by residents of the United States..	956,294,176
Bonds	
Canada..	265,869,045
Held by residents of Great Britain.. ..	71,933,238
Held by residents of the United States..	82,715,495
Other securities	
Canada..	80,143,615
Held by residents of Great Britain.. ..	11,710,221
Held by residents of the United States..	45,869,237
Totals: Canada..	$2,366,746,448 or 60.8 per cent
Held by residents of Great Britain..	310,259,514 or 7.9 per cent
Held by residents of United States..	1,084,878,908 or 27.9 per cent

For these reasons, Mr. Speaker, owing to the cost of this protectionist policy to the country, owing to the fact that we are not able in spite of that cost to build up something that looks like ever being able to stand on its own feet, I believe that the government will take a wise step if it moves away from this policy of protection, and the further away the wiser. I am sure I shall have much pleasure in supporting it if it takes a decent, substantial step in that direction.

There is a reference in the Speech from the Throne to the question of branch railways. I myself am interested in a particular branch railway. I have the good fortune or the misfortune, to represent a constituency that comprises almost one-half the area of the province of Alberta. The railway system that serves that constituency centres in Edmonton and there are three railways, one running to the west, one to the northwest and one to the north. Though in a geographical sense we are tributary to the western coast, to Vancouver and Prince Rupert, owing to the railway system we have developed in the Dominion of Canada we are made tributary to Fort William and Montreal.

I am very anxious to get a railway built that will put a base on the triangle connecting up those three railways running in a westerly and northerly direction from Edmonton—that will connect the Canadian National railway running west to Whitecourt, the Edmonton, Dunvegan and British Columbia to Grand Prairie, and other points in the Peace River district to the Canadian National railway somewhere east of the mountains. I may say that this has been a dream of the people who are living north and west of the city of Edmonton ever since they settled that country, and unless we get that railway within some time in the near future the result will be disastrous so far as the settlers are con-

cerned. I think the cry "If we do not get just what we want when we want it we will leave the country" has been overdone. Nevertheless, I have this to say: Although last year we had one of the best crops in the history of the country there are a large number of people leaving the district. Some expect to leave in the spring. It may be that these people are mistaken in their view, I believe they are, but it is a fact that they are leaving. There are settlers in every country, especially every new country, who will not make good under any conditions; but I wish to inform the Minister of Immigration and the Minister of Railways that is not the kind of settlers we are losing. Unfortunately we are losing settlers who would be an asset to any country.

We have heard a great deal about economy in the form of articles and periodicals during the last few months, and the point has been stressed in speeches delivered in the present debate. Economy may be all right if it is correctly interpreted. I believe the expenditure I am urging would be in the interest of true economy. No doubt a great many will say the same thing with regard to their particular requests to the government, but if it is not true economy to bring a large section of Canada, one of the richest producing sections of it, to the seaboard eight hundred miles away, and keep it tributory to the seaboard three thousand miles distant—I think that is about the mileage—then I do not know what economy means. We are dealing with a transportation system, in so far as our settlers are concerned, that is very costly and in order to save the settlers there we want to get the very best railway service that is possible in view of the geographical situation of the district and its resources. It may be said that we cannot afford this expenditure at the present time. but I want to point out that we have in that district the very products that have been furnishing a large tonnage for the railways of Canada. From Edmonton westward to the coast, formerly the Grand Trunk Pacific and the Canadian Northern were in competition but they have been consolidated into one system west of Edmonton to Redpath Junction. To a point 150 miles west of Edmonton the territory is revenue producing, but from there to the coast there is not a large revenue producing territory at the present time. The statement has been made from time to time that in order to make the National Railways pay they must obtain tonnage. Very well, in the territory of which I speak there is a splendid opportunity to obtain tonnage. We have coal, timber and wheat in that area in abundance, and there is the possibility of producing wheat in tremendous quantities. I have here comparisons of the quantities of the total railway freight carried for October, 1923, and October, 1922, on the railways of Canada. I find that the total amounts of products hauled by all the railways, and loaded at Canadian stations, were:—Agricultural 15,751,874 tons; products of the mine 12,353,153 tons; products of the forest 8,695,722 tons; manufactures and miscellaneous, 11,636,183 tons. According to the statement of October, 1923 of the total of 4,205,335 tons of agricultural products, 3,142,953 tons represent wheat; bituminous coal is represented to the extent of 1,006,442 tons out of a total of 1,969,922 tons loaded. When we come to forest products we find there is also a very large percentage of the total loaded in that division Here is a chance for the Minister of Railways to construct a branch that is at present productive and will be for all time to come, that is not a duplication of another system, and that will go a long way towards helping to solve the problem resulting from the lack of business so far as our National Railways are concerned.

I want to say that I am particularly interested and pleased with the showing the National Railways have made during the last few years, and the steady improvement that we have seen so far as those railways are concerned but I think there is a good deal of unjust criticism with regard to the system We find, for instance, there is a duplication west of Edmonton. There are few hundred miles of track there of very costly construction that are absolutely worthless and yet interest must be paid on the bonds. We find that the Canadian Pacific Railway, with all its branch lines in western Canada, after having been established for a number of years has only one line of railway through the barren country north of lake Superior, whereas the National Railways is under the disadvantage of maintaining and helping to pay interest on two railway systems in that region. So that if we have deficits we may attribute them in part to the fact that we have two systems instead of one to maintain. Yet, in spite of that, very satisfactory progress is being made on our National Railways and the showing has improved greatly during the last few years.

It may seem a strange departure to turn from railway construction to the question of railway freight rates, but the province of Alberta, the Peace river country, and the constituency of West Edmonton are very keenly interested in the question of Pacific

scale of rates. It has always been argued that the lack of business going west to the Pacific coast was one of the main causes of the high freight rates. The other of course was the stiff grades and the consequent high cost of construction of the Canadian Pacific railway, but the cost of construction has largely ceased to be an argument because it has been practically all paid for long ago. The province of Alberta has been possibly one of the chief shock absorbers of the Dominion, in so far as high freight rates are concerned. It was considered a problem for British Columbia only until a few years ago, but we now realize it is a problem for Alberta also. We had the long haul on what we bought from eastern Canada, and we had the long haul to pay on what we sold, because, of course, we paid the freight both ways. Then if we want to ship west we have the mountain scale of rates on every mile over which we ship. I have here a judgment of the Board of Railway Commissioners of September 15th, 1920. The commissioners in the case were Hon. F. B. Carvell, K.C., Chief Commissioner, S. J. McLean, Assistant Chief Commissioner, Hon. W. B. Nantel, K.C., Deputy Chief Commissioner, A. S. Goodeve, Commissioner, J. G. Rutherford, Commissioner, I find the following passage in the judgment:

> Allowing for the undoubted fact that a very large proportion of the traffic both east and west is on the commodity basis, I am still forced to the conclusion that the rates in western Canada average considerably greater than in the East, possibly around 15 or 18 per cent.

Now then the rates from Alberta west to the British Columbia coast some years ago were 50 per cent higher, and a few months ago they were 25 per cent higher than the prairie rates; and now they are just a little under 25 per cent, about 22 per cent higher. This is the reason why we are so particularly interested in this question. We believe that the high mountain rates prevent the development of traffic in that direction. We believe that we are being assessed an undue amount on our shipments in that direction. While it has been argued that the Canadian Pacific railway had very steep grades over the mountains, that argument cannot be used in regard to the Canadian National railway. Very fortunately the Canadian National has a grade which is not greater than seven-tenths of one per cent, and most of the grade lower than that—about four-tenths of one per cent. I want to say that one reason why I am so anxious to see this branch line I have mentioned connecting us with the Canadian National is that we can ship our traffic over a road which has favourable grades, and that they will not be able longer to use the argument that has been used for so many years for keeping up that specific differential. There may be difficulties with regard to this question, but it is a question that has caused a great deal of dissatisfaction in Alberta.

We have heard a great deal about the question of secession. I may say there are a great many people in western Canada talking about it to-day, and they are not foreigners. I am not anxious to see the West pull away from the East, but I desire to say that confederation can only be justified when it is in the best interests of all the people of Canada. It is not justified as an end in itself. It is only justified as the best means to serve all people in this Dominion. While the Speech from the Throne expresses the desire for corrective legislation that will lead to unity in the Dominion, I say that we can never have real, satisfactory lasting union until we can convince all our people that they are getting the same kind of treatment in the Maritime provinces and in the prairies as they are getting in Ontario, Quebec, British Columbia, or vice versa.

If we are going to have all of the disadvantages and none of the advantages of the tariff, and if our freight rates are going to be possibly, fifteen, twenty or maybe twenty-five per cent higher than they are in some other parts of Canada, and if, in addition to that, we have a bank interest rate that runs about two per cent higher than in some of the more thickly settled districts of the Dominion, I do not know how to convince any intelligent person that the treatment of all parts is equitable. The people in the West are very vigorous in their demands. I am not referring merely to the members. I am glad we have a people that are not satisfied with those conditions and will never be satisfied until they are rectified. I believe that until they get freight rates that are just about the same from coast to coast we never will have anything like real satisfaction or real unity between the various provinces of the Dominion of Canada. I quote from the judgment of the Board of Railway Commissioners dated November 23, 1921, the following:

> In the case of the Canadian Pacific Railway Company, they contended that any reduction in rates would probably endanger their chances of earning dividends for the current year. The décision of this Board in the August case of 1920 was referred to, in which it was contended that on account of the strong financial position which the Canadian Pacific Railway has occupied in the business life of Canada for many years past, any rate arrangement should be such as to leave them in a position to earn their dividend of 7 per cent. I agreed with that proposition then and reiterate it here, and, therefore, in arriving at a con-

clusion at the present time, I am doing so entirely on an examination of the traffic and financial requirements of the Canadian Pacific Railway Company.

That is referring to the fact that they were not considering the Canadian National. But there is a principle involved here that I claim is very dangerous. I do not know any reason why capital invested in a railway should be more sacred than capital invested in agriculture. The Canadian Pacific railway is not any more needful to this Dominion than the millions of acres of farm land in the country. I cannot think of any reason, and I would like somebody to suggest any, if there is any, why money invested in a railway should be secured by the guaranteeing of its dividends by a board created by this parliament, and the rest of the people have to accept almost any condition, work for nothing but the barest kind of a living, in order to provide those dividends. That is the principle that we will have to face in this Dominion of Canada, and it is one of the things we will have to set right before we can have the unity that is so much desired by all of us in this parliament. We have been in the last few years as a country, developing the grain routes of the Pacific. We have two ports on the Pacific; you might possibly say three. We have Vancouver and Prince Rupert, and I believe, New Westminster claims to be a port. I was glad to read the speech of the hon. member for Skeena (Mr. Stork) because I did not have the pleasure of listening to him when he put forward his claim for Prince Rupert. That port was selected as a Pacific port by a Liberal government. The Canadian National railways are connected with Prince Rupert. They are not, I believe, at the present time connected with Vancouver, except by an arrangement whereby the Canadian National trains run over the Canadian Pacific railway. I believe the government will do very well to listen to the advice given by the hon. member for Skeena and take steps in the near future to provide money if necessary, to build an elevator there. This may be something that the government may possibly not feel inclined to do at once; but I do not see any reason why they should hesitate, because if we may judge from the Price Waterhouse report, terminal elevators have been paying very well. We do not want government elevators to pay as well as some of the elevators at Fort William according to the Price Waterhouse report, but we believe this is a business that will pay its way and incidentally help our National Railways to be a success.

On motion of Mr. Manion, the debate was adjourned.

On motion of Mr. Graham, the House adjourned at 10:55 p.m.

Tuesday, March 11, 1924

The House met at three o'clock.

REPORTS

Fourth Annual Report of the Civil Service Commission on the operations of the Public Service Retirement Act, year ended 31st December, 1923—Hon. Mr. Copp.

Licenses, permits and other authorities cancelled under the provisions of Section 3, Chapter 21, of the Statutes of 1922.—Hon. Mr. Copp.

HOME BANK INVESTIGATION

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): May I ask if the Acting Prime Minister can give us any information to-day about the scope of the commission on the Home Bank?

Hon. G. P. GRAHAM (Acting Prime Minister): In reply to my right hon. friend I would prefer, on second reflection, as the Prime Minister gave the undertaking for the enlargement of the scope of the investigation, to hold the matter over until he returns, which will be in a few days.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

Consideration of the motion of Mr. Kelly for an Address to His Excellency the Governor General in reply to his speech at the opening of the session, and the proposed amendment thereto of Mr. Sutherland resumed from Monday, March 10.

Hon. R. J. MANION (Fort William and Rainy River): Mr. Speaker, I should like to join with those other speakers who congratulated the mover (Mr. Kelly) and the seconder (Mr. Lapierre) of the Address. I particularly feel pleased to congratulate the hon. gentleman who comes from the same section of the country as I do, the hon. member for Nipissing (Mr. Lapierre) on the honour that has been conferred upon him asking him to second the Address. At the same time, I must confess that he is not here through any fault of mine. May I add, that I join in the sympathy that has been expressed to those ministers and

others who are sick and absent from the House at this time.

Mr. Speaker, the debate on the Address is usually made up of speeches dealing with the subjects brought up in the Speech from the Throne itself. As very many subjects are touched upon, one is not at a loss to deal with any one subject; but after having read the Speech of His Excellency a number of times I have come to the conclusion, that it is made up of four main types of clauses: First, clauses of double meaning and intent; second, pious hopes for the future; third, promises of better conduct; and, fourth misstatements of fact. I do not intend to make this statement without offering some proof of what I say.

In regard to clauses of double meaning and intent, one has only to read the clause regarding the St. Lawrence waterway. I notice in the papers that those who are opposed to that scheme view that clause as an encouragement to them, while those who are supporting the scheme have taken it as of some encouragement to themselves.

As to pious hopes for the future, these appear in the references to stabilization of freight rates and the cost of living. This cost of living question, like King Charles' head in writings of poor Mr. Dick, pops up every now and then.

The government's promises of better conduct deal with estimates and expenditures, and the misstatements of fact deal with past economies and the prosperity of the country. In regard to past economies, I think most members of this House would have to delve pretty deeply to find them. One case I might mention, and that is the appointment of a new Auditor General at a salary of $15,000, a position for which a salary of $6,000 was considered quite sufficient in the past. I have nothing whatever to say regarding the gentleman who was appointed, because I presume he is a most estimable gentleman, but in the past $6,000 was considered ample salary for the position, and I think one would have to reverse the telescope to find how that innovation was helping in the direction of economy.

In regard to prosperity, the Prime Minister has put into the mouth of His Excellency in the Speech, and mentioned again in his own address, as have some other members who have spoken, that marked prosperity exists in Canada to-day. Well, Sir, I am unable to discover it. I have been in many towns and cities in Canada, and I have heard the discussions here in which members from the farming sections in this country have participated, and I have yet to discover where there is real prosperity in the Dominion of Canada at the present time. In fact, I think that what we have at the present time is mainly dissatisfaction, discontent, and unrest.

Mr. ARCHAMBAULT: The "whisper of death."

Mr. MANION: Yes, that comes from the dissatisfaction that exists. Sir, I should like to ask, what is the matter with Canada that these conditions should exist? Here we have a magnificent country, a country with all the attributes of a great nation, a country with a population so small that it is practically no population at all compared with the area of the country. When you compare the magnificent area of this country with that of the United States, where they have 110,000,000 people and room for as many more, while we have only 9,000,000, and compare it with Europe where, leaving out Russia, they have some 300,000,000 of people while we have only 9,000,000 in double the area, one wonders why this condition should exist in Canada. Then, when you take into consideration our vast resources—our minerals, our fisheries, our timber and pulp and lumber interests, our millions of acres of fertile land, and all the other resources which we have—one might well ask himself, why should these conditions be as they are at the present time? It is true that the Prime Minister offered an explanation of these conditions. According to my recollection he mentioned that one of the causes was the fact that we had appointed a great many civil servants, and another of the causes had something to do with the Intercolonial railway. May I say here, Sir, that I do not like discussing the Prime Minister's speech in his absence, although I am going to do it. I do not like to do it when he is not here, but it is not my fault that is is strolling up and down the Boardwalk at Atlantic city instead of leading the House. Furthermore, he will have the opportunity finally to reply if he chooses to do so, because he can speak again on the amendment which has been offered.

I wish to indicate what I think are the real causes of the dissatisfaction and discontent in Canada at this time. To my mind there are three main ones: First, high taxes; second, the broken promises of the Prime Minister himself; third, the destructive tariff legislation which is strangling the industrial life of our country, which is indeed strangling our country as a whole. Sir, I shall endeavour to elaborate those three causes and that shall be the total of my speech, al-

though that elaboration may occupy some little time.

The fact of the high taxes requires no elaboration. Everybody in this country knows that we are suffering from a tremendous burden of taxation. The very fact that this government has realized at last that we are suffering from taxation is proof enough that everybody else in the country knows it. Economy, Sir, is imperative in this country. Everybody admits that, and I am very pleased that in the Speech from the Throne there is some promise of economy. That is sufficient for the elaboration of that subject; it needs no further amplification from me.

In regard to the broken promises of the Prime Minister, that is a subject I shall deal with at a little more length. I think in that regard the Prime Minister has made a record. When you compare him with any other public man we have ever had in Canada he certainly has made a record, in breaking promises if he has not in making them. It seems to me, Sir, that in the case of broken promises his appetite grew with its indulgence. And then at times, when he did not find promises were sufficient, he appointed commissions. He has already appointed I do not know how many commissions. I made an attempt to-day to find out how many commissions have been appointed by this government in the two years in which they have been in power. One prominent gentleman in this House guessed there were a dozen or more. I have been endeavouring to ascertain the number myself, and I shall just mention three or four which come to my recollection. There was a commission on questions affecting the returned soldiers; a commission on the rates charged by steamships; a commission on pulpwood; and a commission on grain. Those are four prominent commissions, four large and expensive commissions. The pulpwood commission is still sitting, and the grain commission is still sitting; and I am informed by an authority high up in the Department of Trade and Commerce that the grain commission is costing this country to-day—and it has been sitting for a long time—something like $800 per diem. But, not satisfied with appointing so many commissions in the past, I notice that in the Speech from the Throne we are promised two more.

I remember, and you will remember, Mr. Speaker, you who are a student of French history, that just before the French Revolution, when the people were crying for bread, I think it was Marie Antoinette said "Give them cake." In Canada when the people are crying out from the distressing conditions which prevail the Prime Minister says "Let us give them another commission." It is true that revolutions have not been popular in Canada, but I venture to make this prophecy —that when the opportunity next comes to the electors they will bring about such a political revolution as will put my right hon. friend the Prime Minister and his associates in the wilderness from whence they came in 1921.

Now, Sir, just to specify three or four broken promises of the Prime Minister,—because I do not wish to make statements which I cannot prove: In the first place, the Prime Minister promised to the soldiers of this country that they would get better treatment than we were giving them. He travelled from Halifax to Vancouver, and he promised them that they would get very much better treatment. He implied that we were treating the soldiers badly, and he promised that if he was given power he would grant them relief. Instead of that—so far as I can find out, and I say this in all sincerity—since this government has come into power the soldiers have found that the strings have been tightened very much more than when we were in power in every possible way, and to my mind it has been more difficult for the soldiers to get the justice which is coming to them. From end to end of Canada, on that ground, there is a dissatisfied feeling amongst the soldiers of this country.

Then there was the second promise which I mentioned, that in regard to the cost of living. That was a favourite cry with the Prime Minister. He played many a tune upon that instrument. He blamed us for the high cost of living. Instead of the cost of living going down since the Prime Minister came into power it has gone up. In fact, living is so difficult to obtain for the working men of Canada that they are emigrating at the rate of fifteen or twenty thousand a month. I got the following figures from the Bureau of Statistics of the Department of Trade and Commerce, the index price figures for a series of years. The index figure for wholesale prices for 1913 they put at par, which was 100. In 1920, when there was a general boom throughout the world, the figure reached its very highest which was 243. In 1921 while our government was still in power the index figure dropped 72 points to 171. This government came into power in December, 1921. In 1922 —too soon for any effect from their actions, if any blame is to be attributable to them for an increase in the cost of living, or if they

are to be given any credit for relief—the figure dropped to 152 from 171, a drop of 19 points. But in the last year, that is in 1923, the first year for which they can really be given credit or discredit if they are to be held responsible for the condition of affairs, the figure again rose to 153. So that the cost of living has not been reduced to the working people as was promised to them.

There was another favourite cry of the Prime Minister, and he was greatly assisted in that by our genial friend the Minister of Labour (Mr. Murdock), in regard to doing away with combines, trusts and mergers. I can almost hear the Minister of Labour still striking that note, which he struck so often during the campaign, on "combines, trusts and mergers." The people were told that we were linked up with them. Hon. gentlemen opposite said they were going to show the people what they would do with combines trusts and mergers when they got into power. Well, they got into power, and it is true that last year they brought in legislation to deal with the matter, but that legislation is now pigeon-holed, so far as I can understand, and it will be a long time before it will be withdrawn from its hiding place.

Mr. MURDOCK: You need not think it is pigeon-holed.

Mr. MANION: If it is not pigeon-holed the minister has done nothing with it so far as I can discover.

Mr. MURDOCK: It is functioning perfectly.

Mr. MANION: Perhaps it has not been pigeon-holed, it has been dropped in the waste-paper basket. The Prime Minister in his speech the other day brought up the question of these combines, trusts and mergers, and criticized us for not having taxed "the profiteers." We were blamed for not having sufficiently taxed the men who had made fortunes during the war although they still had those fortunes when hon. gentlemen themselves came into power.

Mr. MARTELL: They were all Tories.

Mr. MANION: All the more reason why the Prime Minister should have gone after them if he was sincere in his proposition. I am quite sure if he were convinced they were all Tories he would have done so.

Finally there was one other favourite promise, and that is all I shall mention of the broken promises of the Prime Minister. That is in regard to responsible government. That was a particular hobby of the right hon. gentleman. I can remember well sitting in this House in 1920 and 1921 and listening to his speeches in which he abused us, like so many thugs, for being usurpers of power, for doing away with responsible government in this country, for violating the fundamental principles of democracy, for practising a colossal crime upon the people of Canada when we did not have a proper mandate from the people. I remember well those speeches. And yet at that time we had a majority I think of thirty in the House of Commons over all the existing parties. And to-day the Prime Minister is in a minority of two or three.

An hon. MEMBER: Four.

Mr. MANION: He is in a minority of four. Under these circumstances, since he is such an apostle of responsible government, I should think it would be his duty to carry on during the session, bring down all necessary legislation, and as soon as possible go to the country and get a proper mandate from the people or let someone else get it. But, instead of doing that, he simply goes on promising new legislation of whatever kind he thinks will bring votes. The other day he leaned across to the hon. member for Brandon (Mr. Forke), leader of the Progressives and told him if only he would give him his support, he would bring down legislation which would be satisfactory to him. He first attempted apparently to persuade the hon. member for Marquette (Mr. Crerar). Not having succeeded in doing that he approached, as a last resort, the hon. leader of the Progressive party (Mr. Forke) at the present time. And a rather amusing thing it was to me, after the Speech from the Throne had been delivered, and almost before the ink was dry upon the paper, the hon. member for Brandon hurried forward, almost with indecent haste, to assure the Prime Minister that he need not fear any embarrassment from him. I do not know that there was any need of such assurance, there certainly was not in this section of the House.

These are some of the promises which have been broken by the Prime Minister. I might go on for some hours if I wished, mentioning other broken promises, but these were outstanding instances. There was a veritable flood of promises, but a veritable damming back of their fulfilment. It was a case of running away from them and dodging them, ever since the Liberal platform of the Liberal party was framed in 1919. It was a veritable retreat from Moscow, a rout; but the Prime

Minister should remember that after the retreat from Moscow came Waterloo; and he should also ponder over the fact that that other great political general who made promises which he did not carry out, Mr. Drury, is spending his time on his farm.

I think you, Mr. Speaker, who have read British literature, will remember Dicken's famous character, Mr. Micawber. He was a delightful ne'er-do-well, always in debt; and when pressed by a creditor he would give a promissory note which he never intended to pay, and then would sit back complacently in his chair and say, "Well, thank God, that debt is paid". The Prime Minister reminds me very much of Micawber. When he is pressed by the Progressive party he gives them another promise, and as they hasten forward to accept it with an innocence that Bret Harte would describe as childlike and bland, he sits back with Micawber-like complacency, and says, "Thank God that account is settled". I venture to make the assertion that Micawber paid as many of his notes as the Prime Minister will ever fulfil of his promises. Sir, because of this continual changing and veering around the policy of the present government might well be described as an advancing, retreating, sidestepping, wabbling vacillating, vote-hunting policy. There has been a change with every breath of popular feeling so much so that their policy reminds me of a southern politician, a great statesman, who at one time made a speech to his constituency and concluded in this way; "Gentlemen, them is my principles, but if they don't suit you I can change them." Is it any wonder that we have from one end of Canada to the other, discontent, dissatisfaction and unrest? I do not think so.

Now, I intend dealing with the third cause of unrest, which is the destructive tariff policy which is strangling our industrial life, and indeed strangling our country as a whole. In the Liberal platform of 1919 free trade was practically promised to the people of the country. However, as that was put forward for the purpose of getting the farmer vote, and did not succeed, it was one of the broken promises which I did not mention before. After the Liberal party came into power it is true the Finance Minister (Mr. Fielding), in 1922, did make a few reductions in the tariff, and also promised my hon. friends to my left that this was only a beginning. I remember his words. Then in 1923, a year later, he came forward with a few more reductions. But, Sir, he was struck with the fact that he was performing a dangerous feat, and he made a speech regarding this question. I am going to quote his (Mr. Fielding's) words, because they are worth quoting at this time. He said that stability of the tariff was needed if we were ever to get satisfactory results and were to have prosperity in the country. On May 11, 1923, just ten months ago to-day, Mr. Fielding said—

> There is a thought which does not receive as much consideration as I think sometimes it should be given in public discussions, and that is the desirability of something like tariff stability. It is desirable that something like an assurance of tariff stability should be given to business men. Exceptions will occur. There will be cases where, in the interest of the consumer, reductions in the tariff ought to be made. But the conditions to which I refer are exceptional. Speaking broadly, it is possible to give the country a reasonable assurance of stability of tariff. Such assurances are very desirable, for no business man would care to enter upon enterprises which may be brought into peril by frequent tariff changes. The tariff as it will be when the changes proposed to-day come into effect will be a moderate tariff and probably as low as the country can afford to have under present conditions.

Later in his address he said:

> Subject to the exceptional conditions such as I have mentioned I think the country should be content to accept the tariff as it will now stand as one as fair and reasonable as can be prepared under all the circumstances, and business men should be able to carry on the various enterprises without the fear of being soon disturbed by further changes.

Those are the remarks, Sir, of the Finance Minister of that day, and by the way he is still Finance Minister of Canada, but despite that fact, and despite the fact that he is sick in bed, the present government comes forward with a Speech from the Throne which is a betrayal of the Finance Minister—not only a betrayal of that minister, but a betrayal of the industrial interests of this country, because a sigh of relief went up from the industrial concerns when they were promised some measure of stability.

Mr. MARTELL: Did not my hon. friend in 1911 support reciprocity, which is going further than the government propose to go?

Mr. MANION: Yes, I supported reciprocity in 1911, but I must confess that as I grow older I get more wisdom. That is twelve years ago. I remember well at one time Lincoln was asked if he had not taken a different stand at that time than he took the year previously. He said "Yes, I have taken a different stand to-day from that which I took last year, and any man who is not wiser to-day than he was yesterday is not much of a man."

Mr. MARTELL: The fruits of office may change a man's opinion.

Mr. MANION: My hon. friend is not receiving much of the fruits of office.

Mr. MARTELL: None at all.

Mr. GRAHAM: Would the hon. member not allow the Prime Minister the same privilege?

Mr. MANION: Not on such short notice.

Mr. LOGAN: Not according to Lincoln?

Mr. GRAHAM: The conversion is almost instantaneous.

Mr. MANION: The Minister of Railways (Mr. Graham) might agree with me that when a man changes his opinion he should acknowledge it, but when the Prime Minister changes his opinion he stands up and tells us he is in the same position as he was last year.

And, Sir, if I may continue, this betrayal of the industrial interests of the country is being carried on in spite of the depression which exists, in spite of the exodus from this country, of fifteen or twenty thousand per month of our finest young men. To hold the knife of the free trade guillotine above the necks of the industrial leaders of this country cannot lead to anything but dissatisfaction and unrest, and it is leading to that condition.

I shall now name five different industries that have been affected. The woollen industry has been seriously affected. A number of the woollen plants are idle. The Perth woollen mill, which ran along for forty-five years from the introduction of the National Policy in 1878 till this year, is now closed down for the first time. Then the boot and shoe industry is suffering from the same condition. They are suffering from the increase in the British preference, from the depreciated exchange of Britain, and from the fact that the price of labour is about half the price in Britain than it is in Canada. So that they are practically being pushed out of business.

Mr. LAPOINTE: The Prime Minister said the other day that they would not be affected.

Mr. MEIGHEN: No, he did not.

Mr. LAPOINTE: Yes.

Mr. MEIGHEN: Very slightly. I am not Prime Minister. The hon. gentleman seems to be a prophet at short distance.

Mr. MANION: The increase in the British preference affected them; at any rate, they are being affected just as the other industries in the country are being affected. Then we have the farm implement industry in such a position that it is going to be ruined. I hold in my hand a statement from one of the financial papers regarding the Massey-Harris Company, which is one of the largest farm implement manufacturing companies in Canada, and it shows, Sir, that they sustained a net loss last year of $22,448, and now this industry is going to be wiped out altogether. Coming a little nearer home, there are two industries in my own city which are vitally affected—the hon. member for St. Lawrence-St. George (Mr. Marler) would be easily able to identify them—by the present cuts in the tariff. One of them—I do not intend to name either of them, because I have not their permission to do so—was an industry which in my city was employing some 300 men; and has a plant in eastern Ontario employing about the same number. Both these plants, and perhaps others for all I know, are closed at the present time. I have it from the leaders in that industry that by a very slight change in the tariff, or a very slight change in the sales tax, they could go on as they did for very many years in my city and in that eastern town, and supply the prairie provinces with their product. Then, I was on the train the other evening and I met an old friend of mine from the home city of the hon. member for St. Lawrence-St. George. He is the travelling head of one of our big corporations. As he has a plant in Fort William I asked him how business was, and he described how they were running at present on half time. He pointed out that they were being driven out of business not by British or by United States competition, but by French competition, because the French franc is down to about three or four cents; French labour is probably even cheaper than the British; and the duty on the product is so low that it allows the French product to come in and beat them. I have a great respect for the French people, indeed I have a love for them; but I have much greater love for the Canadian people, and I do not believe it is fair that our Canadian industries should be driven out in favour of French industries. That same company wrote me as I communicated with them asking for details. I have under my hand their letter in reply, in which they point out that while in Canada. they cannot compete with the French industries, they are running at a loss of about four dollars a ton on their product, operating on half time, and continuing in business for the sole purpose of holding their organization together in the hope that perhaps this government will come to its senses and give them some relief. This same product is now being

manufactured and sold in the United States at a price on the basis of which this company could sell and make money; and that is because in the United States they have sense enough to protect their own industries. So here are five industries which illustrate my point—many others could be mentioned, but I think I have dealt with enough to serve the purpose.

The fact remains that no industry in Canada to-day is safe. No industrial leader knows when he is going to be slaughtered and thrown to the wolves to keep this government in power.

Mr. MARTELL: My hon. friend is a long way from power, though.

Mr. MANION: Not nearly so long as the hon. gentleman is. Sir, would any sane man invest his money in an industrial plant in Canada under these circumstances? Would any sane man who has control of foreign capital think of bringing it into Canada and investing it? The answer is so obvious that it is not necessary to state it.

Canada alone of all countries is talking of adopting free trade. Do my hon. friends from the prairie provinces believe that all the wisdom of the ages has been extracted and passed out to that part of the country? Do they think that other nations with the exception, we will say, of Great Britain—and I will touch upon that in a moment—have no wisdom; that this little country of nine million people should think of lowering tariffs while all others deem it necessary to have protection? Why, Sir, even England made very great progress under protection. England did not have free trade until 1846, and when they adopted free trade as their policy it was after they had built up an immense line of manufacturing plants and an immense capitalistic system which enabled them to compete with and oust practically any manufacturing country in the world. Then, and not till then, did England think of adopting a free trade policy. When she felt that she could hold her own market because she could undersell any other country and because other countries had not achieved the stage of development that she had, then she proposed free trade. Cobden, himself a manufacturer, prophesied that within ten years every country in the world would adopt free trade. If every country had done that it is altogether likely that England would have profited by her free trade. As it is, she had received such a momentum under protection, she had built up such an organization under protection, that until a few years ago she was profiting very highly by her free trade system, underselling as she was, many other countries. The very act which she brought into force at that time and under which raw materials and foodstuffs were admitted into England cheaply, so cheaply that she could get them at as low prices as any other country in the world could, was in a sense the very best protection she could give to her manufacturing industries which were then so highly established. That, then, was the attitude of England. Now even England has adopted some of the protectionist system that we have in her key industries act. It is true that in a recent election she defeated protection, but I venture to assert that if Mr. Baldwin had taken three months instead of three weeks to educate the people of England away from the free trade policy which has prevailed in that country for eighty years, he would have succeeded, to England's very great benefit.

As it is—I mention this because the case of England is so often flaunted in our faces—what are the conditions in that free trade country? I do not know any country where the conditions are worse at the moment. There are about two million unemployed, and that means eight million who have nothing with which to buy their food. The people are emigrating from England even faster than they are emigrating from Canada. The case of England appears to be one which it is well worth pointing out to my hon. friends to my left. Some of them take the attitude—I do not attribute it to all of them—that the only wealth produced in Canada is that produced on the prairie farms. Well I submit that the man who takes the raw leather and turns it into boots and shoes is just as much a creator of wealth as the man who raises the animals from which the leather was taken. I submit, further, that the man who takes the wool and turns it into woollen goods, also the one who carries the operation further and turns the woollen goods into clothing, is just as much a creator of wealth as the man who raises the sheep. Furthermore, the manufacturer who takes the wheat and turns it into flour is just as truly a creator of wealth as the man who grew the wheat from which the flour was made. It is a point worth remembering, because after all we do not wish to destroy any source of wealth in our country.

If you look over the commercial history of the world you will find that all great commercial countries have been built up under protection. I have shown how England did it. At any rate, even if we lay England aside for the moment, the United States, Germany, France—all these countries were built up under a protective tariff. Germany and the

United States were rapidly overtaking England and had indeed surpassed her in many branches before the war.

Mr. FORKE: Does the hon. member not think that under different circumstances we might be in a happier condition than we are to-day? He appears to be perfectly satisfied with everything, but things do not seem to be so good.

Mr. MANION: My hon. friend is drawing a conclusion which I do not think he has any right to draw. I am not satisfied with everything; I am trying to offer, as I shall before I have concluded, some ideas the adoption of which would, in my opinion, bring about an improvement of conditions in Canada.. My hon. friend has a right to his opinion just as much as I have to mine, but I say with all due respect that I do not think that his low tariff proposals would improve conditions; I am convinced that they would rather materially hurt conditions in this country.

I was going to say that before the war, Germany, which did not really come into the race until about 1870, had under a highly protective system outsold Great Britain and was outselling her in ten of the most important countries in Europe, including Russia. And, by the way, speaking of wealth for a moment again, I should like to refer to one point which I omitted to mention, to show that all wealth is not from agriculture. Various factors besides agriculture go to the production of wealth, and there is no doubt about the fact that England's wealth has not been agricultural; England's wealth has been produced by her manufacturing industries, her trading, and her shipping. England is indeed the least agricultural country of the important nations of the world. Now, Canada resembles the United States in most aspects —in area, in resources, in climate, and in people—more than she does any other country on the globe. Is it not, then, more sane and logical that we should copy the system of that country in our endeavour to build up the Dominion of Canada than that we should emulate the methods of two little islands on the outskirts of Europe which have an area of about 120,000 square miles, and which together could be placed three times in northern Ontario alone, between North Bay and the Manitoba boundary?

I agree with the attitude taken last night by the hon. member for East Edmonton (Mr. Kellner); in this regard the hon. gentleman's view is only in keeping with that of Mr. George Langley. My hon. friend from East Edmonton declared that it is not the tariff that is killing the agricultural industry of the western provinces. Let me quote from the words of George Langley uttered a short time ago. He is a representative farmer and public man, and I do not think that he needs any introduction from me to my western friends. George Langley says:

> I do not regard protection as an economic damnation. If we are going to protect our manufacturers, we should protect our farmers, and to help the farmer something definite should be done in respect to transportation.

The hon. member for East Edmonton took exactly that attitude, but I was sorry to see that my hon. friend from West Edmonton (Mr. Kennedy) was of an entirely different opinion.

Mr. HOEY: That is East against West.

Mr. MANION: Well, the fact is that their views on this question are diametrically opposed. The hon. member for West Edmonton states that if the industries of Canada, after the years of protection that they have had—and it may have been only a period of ten years, for that matter—were not able to compete with the rest of the world, it was time that they were allowed to shift for themselves. That is in essence the statement he made. Well, suppose the farmers of the West, after suffering as they did in past years from drought, and after exerting their best efforts for years to make good, found themselves in such a condition that they could not buy seed and were forced to come to whatever government might be in office at the time and ask for assistance, as they have had to do in the past! Suppose, under those circumstances, that government should say to them: "You have been farming long enough now and if you cannot make a success of your business you had better cease operations; you will have to go to the wall."—what would any hon. gentleman say to such an attitude on the part of any government in such a case? Why, I submit, Mr. Speaker, that it would be nothing but un-Christian and un-Canadian. By the same token, the attitude of the hon. gentleman from West Edmonton, in regard to the industries of this country, is both un-Christian and un-Canadian.

Now I wish to bring to the attention of my hon. friends to my left a point which, I think, is of some interest. What is the promise which the Prime Minister (Mr. Mackenzie King) has made that has immediately reached to the heart of the hon. member for Brandon (Mr. Forke), the leader of the Progressive party? The gist of that promise was that farm implements would be put upon the free

list; at least, that is what anyone would readily infer.

Mr. FORKE: I never said so.

Mr. MANION: I know my hon. friend did not, but the Prime Minister did.

Mr. GRAHAM: No.

Mr. MANION: Well, the Prime Minister did not say so in so many words. He is usually in the habit of putting his thoughts in such words that one may draw any conclusion from them that he likes. But in this instance everyone has inferred, from what the Prime Minister has indicated, just what I have stated. Certainly, the inference has not been denied in any part of the country, namely, that farm implements will either be put upon the free list or have a fair reduction made in the duties upon them. Personally, if I were a farmer from the prairie provinces, after my past experience of the Prime Minister, I should be afraid to base any hopes upon any such promise. Nevertheless, as I say, that is the conclusion which everyone draws; and I submit, as was pointed out by my hon. friend from Toronto (Mr. Hocken) last night, that if that is not the intention of the government it is time that they indicated to the people of the country just what they mean to do; because the makers of farm implements in Canada are in a quandary; they are absolutely in a state of depression, and in fact this business is practically closed up and will remain so until the budget comes down in three or four months' time. Now, what would the cut in farm implements amount to? I made it my business to look into this question and I found that the imports of farm implements into Canada during the last fiscal year amounted to $4,500,000. The duty on that was $680,000. The farming population of Canada is 4,000,000. So that the per capita tax on farm implements last year on the whole of the farming community in the country was seventeen cents. That is what my right hon. friend the Prime Minister has offered as a sop to get the western vote. I must confess it is a rather cheap price if it is intended to purchase votes. I do not say this offensively, but in the Old Testament we are told that Esau sold his birthright for a mess of pottage; it would be a poor mess of pottage that anyone would buy for seventeen cents.

Mr. WARNER: The hon. member for East Edmonton (Mr. Kellner) is not here, and my hon. friend has made a comparison which in my opinion is not quite fair. Does he not think that it is a little unfair to compare the conditions brought about by nature with conditions over which men can exercise some control?

Mr. MANION: I should like to answer my hon. friend's question, but to be candid I do not see his point, and as I am anxious to proceed I shall ask him to pardon me if I do not discuss the question. I was going to point out that the total duties collected last year in the whole of Canada amounted to $133,000,000. That represents $14.50 per head, and if you allotted every farmer of the prairie provinces his share of that, I do not see that it would put the prairies in any more prosperous condition than they are in to-day.

Miss MACPHAIL: Do all the farmers of Canada live in the prairie provinces?

Mr. MANION: No, they do not, and I am glad that, by implication, my hon. friend agrees with me. I shall deal with that aspect in a moment. Let me now come to another point. The prairie farmers have not suffered, by reason of any duties levied on farm implements, in the last ten years. For this, I have the word of the leader of the Progressive party who said in his speech that for ten years not a prairie farmer has bought a farm implement at all. Yet, when the Prime Minister offers to take the duties off farm implements, the hon. member immediately jumps into his arms.

I am sure that my hon. friends to my left will agree with me, if they will look fairly at the question, that the fact that the conditions in the West are bad has nothing to do, or practically nothing to do, with the tariff. The real reason for present conditions in that part of the country is to be found in world conditions; in the transportation situation; long distances and high rates make it difficult for the farmers to get their products to market. Furthermore, marketing conditions in general would largely affect the situation. These conditions, in my opinion, have very much more to do with the state of affairs in the western provinces to-day than has the tariff.

I remember reading once an opinion of Macaulay's, that if there was one type of taxation which was least productive of benefit to a country, it was robbery. I submit that if there is one method by which you can help any industry and which is least productive of benefit to the country, it is the destruction of another industry for the attainment of that purpose. And that is what is proposed in the Speech from the Throne; that is what will, no doubt, be proposed in the budget that

is to be brought down. We are to ruin some sections of the East in order to save the West; and in any case the saving in my opinion is only imaginary.

Now I come to the point raised a moment ago by my hon. friend from Southeast Grey (Miss Macphail); the farmers of Ontario and Quebec must be considered. There are two million people in the prairie provinces. These are not all farmers, but for the sake of argument we will say that they are. But there are more than two million farmers in the provinces of Ontario and Quebec, and they are all dependent, almost wholly, for the sale of ninety per cent of their products upon the industrial centres of the East. Would it be a fair proposition to ruin these two million farmers of Ontario and Quebec in order to succour the two million of the prairie provinces, even if the sacrifice of the interests of one community would be beneficial to those of the other community?—Which I claim would not be the case.

Mr. MARTELL: What about the Maritime provinces?

Mr. MANION: I like the Maritime provinces, although from some of the interjections that are being made I wish they had kept some of their representatives at home.

Mr. MARTELL: They never change their opinions.

Mr. MANION: Mr. Speaker, everybody realizes that the West is in a bad way; no one realizes it better than I do because I am right on the border. But so is all Canada in a bad way. My hon. friend from East York (Mr. Harris) yesterday well described the condition of some manufacturers, friends of his, in Toronto, who had lost in two or three years all that they had made in forty years.

An hon. MEMBER: Without whining.

Mr. MANION: "Without whining," is added by some hon. gentleman. But, Sir, all the business men in the towns and cities are suffering from the same depression, and I defy any hon. member to contradict this statement. Therefore while I am ready to do everything I can in a reasonable way—and I am sure all my hon. friends in this section of the House are equally ready—we are not ready to ruin the East to aid the West.

Mr. WARNER: May I ask the hon. member another question?—perhaps he will be able to see through this one. If the tariff was increased would not the difference be passed along to the consumer?

Mr. MANION: That is questionable. I do not admit that all the tariff is passed on to the consumer at the present time. Let me ask my hon. friend a question: Suppose a Canadian farmer had a farm just south of Morden, in Manitoba, one-half of which was in the United States, and he raised a thousand bushels of wheat on the Canadian half and another thousand bushels on the American half of his farm. The price of wheat is a little higher in the United States than in Canada; but there is a duty on Canadian wheat going into the United States. Suppose, further, that he wanted to sell his total production in the United States, who would pay the duty on his Canadian wheat, he himself or the consumer on the other side of the line? I submit it would be the farmer.

Mr. WARNER: No. I do not think my question is answered, and I do not think the counter question applies.

Mr. MANION: I did not expect to satisfy my hon. friend. I was not trying to do so, I was trying to show my own side of the question.

Mr. HOEY: Will the hon. gentleman admit that protection is no advantage to the United States producer in his own country?

Mr. MANION: I do not admit anything of that sort. I contend, Mr. Speaker, that protection may not increase prices at all, but it may prevent another country from dumping its surplus products into the protected country, and that is what happens in Canada to-day. Any manufacturer in the United States manufactures on a large scale for 110,000,000 people, but very frequently at the end of the season he has some surplus goods on his hands, and rather than carry the surplus over into the following year he tries to dump it on the Canadian market, and, if he were permitted, he would put out of business the Canadian manufacturer by underselling him, and thereupon proceed to recoup himself out of the pockets of the Canadian people by raising his prices. But, Sir, we do not need to go outside Canada—

Mr. KENNEDY (Edmonton): Is it not true that some of our own manufacturers are doing the same thing with goods that they ship to the British market?

Mr. MANION: Yes, I have heard it stated that they do.

Mr. KENNEDY (Edmonton): Why should we protest against dumping if we are doing it ourselves?

Mr. MANION: I am not protesting; but I do object to the foreign manufacturer doing it to us if I can help it. I would not object to my hon. friend hitting back at some man who hit him, but I would object to his hitting at me without reason, and that is what every foreign manufacturer who dumps surplus goods on our markets is doing. I do not blame him, but I do not intend to let him do it if I am awake and can prevent him. The attitude of my hon. friends to my left, in view of the action of the United States government just recently in raising the duty against our wheat, is very peculiar to me. I think it is a most humiliating attitude that we should remain quiescent while the United States impose tariff duties of all kinds against us, a little country of nine million people while they have a population of a hundred and ten million. They are imposing various high duties against the farmers of this country, and the group representing the farmers of the prairie provinces stand here and say: In return for the United States hitting us on the right cheek let us turn our left cheek to them for another blow.

4 p.m.

Miss MACPHAIL: Will the hon. gentleman admit that it was the manufacturers of Canada who made it possible for the Canadian farmer to be discriminated against by the United States?

Mr. MANION: I do not think the manufacturers of Canada have had anything to do with it. I think the Canadian manufacturer has been the cause of many of our farmers in the past having been in a very prosperous condition. But I was pointing out when I was interrupted that my hon. friends to my left take a most humiliating attitude in turning the other cheek. Two thousand years ago—and I say this not in any spirit of blasphemy—the greatest Christian of us all advocated turning the other cheek, and He was crucified. I have no doubt that my hon. friends will get the same treatment from the American business men at the first opportunity that presents itself to them.

Mr. FORKE: Would my hon. friend carry the analogy to its conclusion and say who will be the final victors?

Mr. MANION: Again I am afraid I do not understand the question.

Mr. McDONALD (Timiskaming): If any man to-day advocated remedial measures, would he not be crucified too, and in less than the thirty-three years that it took the people of His day to crucify the Man of Nazareth?

Mr. MANION: I hope not, because I am offering remedial measures myself. Knowing my hon. friend as I do, I am quite sure he has no intention of trying to crucify me.

But, Mr. Speaker, the free trade policy was not such a panacea for the economic ills of this country when we had it. Let any hon. member look at the speeches of our public men describing conditions in Canada in 1878, before the national policy was brought into force, and he will find in the debates of that year a statement that when the Prime Minister left the door of the House of Commons conditions were so bad that he was met by a hundred and fifty hungry people who begged him for food or work. That was the state of affairs under practically a free trade policy. Yet the hon. leader of the Farmers' party (Mr. Forke) stated the other night, that we have suffered now for fifty years under protection, and it is time to change the policy. I do not know that it has been all suffering; I think we have had a fairly reasonable amount of progress, and I shall try to prove it. I admit that we have not had the progress that the United States has enjoyed, we have not had the progress that most Canadians would like their country to have had, but we have had a fairly reasonable amount. Let me give a few figures, although I do not like to encumber Hansard with too many statistics. In 1881 we had under acreage less than two and a half million acres; in 1921 our acreage was twenty-three million acres—ten times more than in 1881. The value of our field crops in 1901—I could not get any earlier figures—was $194,000,000; in 1921 it was $931,000,000. The value of our mineral production in 1881 was $10,000,000; in 1921 it had risen to $172,000,000. The total domestic exports were $84,000,000 in 1881, as compared with $1,200,000,000 in 1921. Our wood, paper and wood products were $25,000,000 in 1891, as compared with $284,000,000 in 1921. The life insurance in force was $103,000,000 in 1881, as compared with $3,000,000,000 in the latter year, while the deposits in our banks were $94,000,000 as compared with $2,300,000,000. Now, can any hon. member say that that is not progress? If he has the temerity to do so, then I do not understand what he desires. I repeat, I should like to have seen greater progress, and I am sorry that to-day instead of progressing we are retrogressing. For this lamentable condition I blame the government to a great extent. Sir, when a physician is called in to treat a patient who is in an anaemic, run-down condition, it

is his duty to administer building-up remedies in an endeavour to reconstruct him. But the government, which is the physician of this country at the present time, instead of using building-up remedies for the depressed, run-down condition of the nation is using the antiquated remedy of bleeding. In fact, Sir, it is doing worse, it is trying to save one section of the body politic by amputating another—it is trying to amputate the industrial section of the state.

Mr. MARTELL: Will my hon. friend permit me a question?

Mr. MANION: My hon. friend will allow me to finish, please. What is still worse, it is amputating the legs of the body politic by inches.

Mr. MARTELL: My hon. friend, who was a minister in the late administration, is a medical practitioner, and I understand that the medical world has not yet been able to discover a cure for cancer. Is not the attitude of this government to secure a remedy for the cancer left by the late administration on the country?

Mr. MANION: I might reply to my hon. friend that if industries are a cancer, that is correct. But I do not consider that industries are a cancer.

Mr. MARTELL: My hon. friend was speaking medically.

Mr. HOCKEN: Don't put your foot in it again.

Mr. MANION: The strange thing about the attitude of this government is that they are taking that attitude in spite of the fact that two-thirds of those on the government side—I will not include my hon. friend from Hants (Mr. Martell)—are protectionists. In other words, they are placing power before principle; if principle interferes with power so much the worse for the principle, and if the country interferes with power so much the worse for the country. Their attitude, in other words, is, not to relieve the West but to get their votes; and that to my mind means the ruination of this country.

Now, Sir, I am finishing and I intend to say what I consider to be the proper remedy for the conditions that exist. I know it will not appeal to my friends to my left; I do not expect to make many converts, but I believe just as sincerely in this policy as they believe in theirs. I believe that what we need in this country is a reaffirmation of the old National Policy. We need a constructive, protective, national policy for all classes of the people, a policy which will develop the resources of Canada, a policy which will retain the home market for the Canadian people, a policy which will build up a broader national life and give greater opportunities to the youth of this country, to the sons of farmers as well as to the sons of other people, and here I might just say that no class of people have done better in the industrial centres than the sons of the farmers, or their forebears, who to-day argue for free trade. We need a policy which will protect us against cheap labour, not only of the Orient but of Europe at the present time. We need a policy that will protect us against dilapidated exchange, because the exchange situation in Europe is in such a shape to-day that any country can send in its goods over our tariff barrier. We need a policy which will protect us from foreign industry, and by foreign industry I mean any industry outside of Canada, because I am a Canadian first, last and all the time. Are we to be hewers of wood and drawers of water for the American and the British people? Not if I can help it, not if my word will have any effect on my people. I believe in keeping Canadian markets for the Canadian people.

Just one word in closing—and I certainly should not mention this if the Prime Minister had not mentioned it—and that is on the question of national unity. That is a favourite theme with the Prime Minister. I do not criticize him for that, but at the same time I do not think it is necessary for anybody in Canada to be continually assuring the people that he desires national unity, I do not know any decent citizen of Canada who does not desire national unity. I may say to my hon. friend from Quebec East (Mr. Lapointe) that I am sure he would not question my attitude on this question, because I have given him and his confreres a very practical demonstration of the fact that I desire national unity, and as a result my three little boys speak the French language with the same facility that they speak English. Perhaps he would pass that on to the Prime Minister, and may I suggest that the Prime Minister might do a very great service to his country if he would follow my example.

Mr. GRAHAM: I agree with that part of your speech.

Mr. MANION: To my mind the best way to bring about national unity is to bring about national prosperity, and the best way to bring about national prosperity is to bring about a national policy

that will build up all sections and develop the resources of the whole country, so that we may build up on the northern half of this continent a great Canadian nation.

Mr. WILLIS KEITH BALDWIN: (Stanstead): Mr. Speaker, I do not intend to use so much of the time of this House that the Upper Chamber, which has been quite lavish in its recommendations, can take any offence. Personally I am not going to follow the see-saw path that has been followed in this House during the last few days, but in my later remarks I shall broaden out and speak more from the national point of view.

I do not think anything has been said in this House that was more popular than when the leader of this government said that he would try to bring the East and the West together, for that is something every true and patriotic Canadian wants. We all want to see the East and West brought together and to have this Canada of ours one great united country.

I would remind the last speaker (Mr. Manion) that he was mistaken in one of his remarks. He made the remark that prior to 1878 there was a free trade party in this country. I wish to tell him that the Hon. Alexander Mackenzie was the Liberal leader in 1878, and he had a duty of 17½ per cent ad valorem straight on almost everything. Then the hon. member went on to liken us to the antiquated party. I remember the time of confederation very well. I was quite active in the battle of 1878, and when a man says that there was a free trade party, he really knows better. No one in the province of Quebec has proclaimed since confederation that the Liberal party is a free trade party. The hon. member makes no acknowledgement that he has been corrected.

The very vigorous member for East York (Mr. Harris) last night made a great mistake in speaking of the Grand Trunk Pacific as being in the northern part of the province of Quebec. He must be almost oblivious of his geography, if geography he studied in his boyhood days, to make such a statement, for a glance at the map will show that more than nine-tenths of the province of Quebec lies north of that railway.

I believe that every man who has spoken in this House in the last ten days has had something in his speech that was commendable. I am going to handle the leader of the opposition very gently; I am not going to get into any big fight with him at the present time, but I will just mention one little thing. He went up and down this country until about eight months ago condemning this government, and no bigger charge did he make against it than that they had searched the world and then put Sir Henry Thornton over the National Railways. I do not believe I am making any mistake when I say that he was near the city of Toronto, and perhaps near the Albany Club, when he was told to come off his perch and stop talking about the man who was big enough to handle the great National system of railways. At all events, I have not noticed in the newspapers that he has made any derogatory remarks about Sir Henry Thornton since then. It is a mighty good thing that people do change their minds sometimes. The hon. member for Fort William and Rainy River (Mr. Manion) who preceded me talked about a revolution. I do not see any cause for a revolution in this country. There is a process of evolution, and unquestionably things are evolving. An hon. gentleman opposite representing one of the Toronto constituencies gave us an outline of what we might expect to see happen in this old world in the course of a few decades. Things are evolving all around us continually, and a person who cannot see what is happening, not merely in Canada but in the world at large, is wholly lacking in conception.

Hon. gentlemen opposite have been hammering away at the leader of the government on wholly fanciful grounds. After the Halifax by-election they made the wires hot with imaginary stories of the alarm he felt at the result. Do we see any manifestation of alarm on the part of the Prime Minister or the members of his government? No, we see nothing of that character. What we do see tends to reassure us. The Prime Minister called Messrs. Dunning and Crerar from the west to consult with them as to the needs of that part of Canada. That was not an evidence of alarm, but the Tory press—that press which is keeping the country ablaze not only by "whispers of death" but by misrepresentation—claimed he was calling these gentlemen down for the purpose of giving them positions in the cabinet. The truth of the matter is he was seeking needed information from them in the public interest.

Dealing with the speech of the right hon. leader of the opposition in the present debate almost every sentence was pungent with sarcasm. I do not propose to answer the right hon. gentlemen, I prefer to deal with the conditions in the country. We have a great and glorious land, such as no other nation on the globe possesses. If we take an inventory of our national resources what do we

find? Look at the great province of British Columbia, the second in size in this Dominion. There you find lofty mountains, fertile valleys, and a wealth of timber and minerals. So extensive is that fine province that as my hon. friend the member for Skeena (Mr. Stork) said there was room for empires in some of the valleys in his constituency. We pass eastward and we reach the great province of Alberta with its rich and fertile lands, and the chinook winds which render the climate so mild in winter. We pass on to Saskatchewan and there we find the same rich plains, the same fertile lands, and also enormous deposits of coal and oil. There is no question at all of the wonderful richness of those provinces. Next we reach the province of Manitoba and, like the other prairie provinces, it has been richly endowed by Providence. Next comes the province of Ontario with its enormous wealth. It has gold and silver and nickel mines, and we are told that it even has platinum and radium as well. Its industries are very great and very varied, and the area of its land is immense. Then we come to the greatest of all the provinces, Quebec, with its more than four thousand miles of water line for a border. In that province too there are wonderful natural resources, and like Ontario it possesses mines of great richness and extent. There is no doubt that the mines of Quebec and Ontario, in the course of a decade or two when fully developed, will make our public debt pale into insignificance. I would like to see certain people who get rich, I will not say by what means, and who go to the southern states to squander their money, remain in this country and help to develop the great central provinces of Ontario and Quebec. Surely it would be far better for these people to spend their energy, their money and their time in this land of ours which is so worthy of all the attention we can bestow upon it.

Coming to the Maritime provinces, we find great timber limits, vast areas of minerals, almost inexhaustible fisheries, and fertile fields and valleys. I well recall one beautiful summer evening when I crossed the straits of Northumberland to that beautiful little gem of the sea, Prince Edward Island. I said "This is the most beautiful spot I have yet seen in this Dominion". We arrived at Summerside—it was a beautiful evening in the month of August—and as we rode through the country we saw well kept buildings and evidences of prosperity on every hand. My companion said to me "I would like to enter the homes of these people and then I should learn the last word in human happiness and contentment." I said "You need not enter these homes. Go to the New England states and there you will find out what the people from these Maritime provinces have accomplished. Or you may go to western Canada as I have done, and see there people from the Maritime provinces occupying positions of responsibility in every city and every town." I should like to make one recommendation to the people of the Maritime provinces. It is that they should yoke up, marry, have one legislative home. I do not make that suggestion because of their insignificance geographically as compared with the rest of the country. If they lack anything in area they more than make up for it by the brawn and brains of their people. But my story is not yet finished. Think of the great Yukon territory, of the wonderful country in the Mackenzie district, the Franklin district, Baffin's land in the archipelago to the north. If the latter were brought down and attached to Hudson bay, it would make of Canada a huge territory extending north and south for two thousand miles and east and west for three thousand five hundred miles. Is not this wonderful country which I have described such as to make every Canadian proud of the land of his birth or of his adoption?

We may look for great developments in the future through the medium of our waterways. If we glance at the extreme southwestern portion of the province of Ontario we find that this area is more than one-half water. It seems hard to believe that some day we shall have navigation from the head of the lakes down to the Rainy River district, down the Winnipeg river to lake Winnipeg, and through the Saskatchewan river to the foot hills of the Rockies. This may seem a dream to-day but the future will witness its realization. Let me tell the hon. members of this House that instead of spending so much time fighting we should apply ourselves with all our energy to developing this great country of ours. The waterways we are so fortunate as to possess will ultimately prove the agents of great commercial prosperity in Canada.

We have the greatest inland waterways of the world, from the eastern point of Quebec to the head waters of lake Superior. It is very nearly halfway across the continent, and I am strongly in favour of the deep waterways scheme. This proposition may not be acceptable to a great many hon. members here, but I believe in it thoroughly. I believe that Montreal will ever remain the metropolis of Canada because its great social, financial, religious and industrial advantages will keep it in that position. It is quite within the

possibilities of reason that within a very short time a boat drawing thirty feet of water will be able to go from the Atlantic to Montreal, and there is a possibility that Montreal will be a twelve months' port. A certain engineer made a statement in the press that he could dam the straits of Belle Isle and thus provide communication between Newfoundland and the mainland. I remember some eleven years ago in the gulf of St. Lawrence there was a collision with a Norwegian coal boat, and some 1,100 Canadians went down. Now what is thirty million dollars compared with 1,100 lives? It is nothing. If the damming of those straits would warm the gulf, it would improve the temperature of the Maritime provinces, and would put the St. Lawrence in such a condition that boats could run to Montreal the year round. I am somewhat older than many hon. gentlemen in this House and I can remember that when the great Canadian Pacific railway was under construction we were told that the revenue from the road would never pay for the grease used on the axles. But that prediction has proved to be false; so that the man who predicts to-day is considered as a man without discrimination. There are many things we become hazy about.

If we had a twenty-foot channel from Montreal to the head of the lakes it would be very beneficial, because undoubtedly they could not use the lakes more than seven months of the year, while Montreal would be a port for twelve months. There has been great opposition to this scheme, but I think there is no justification for the opposition and that the scheme would be of great benefit. From Calais, Maine, to Florida they oppose the St. Lawrence route. It would be of enormous value to twenty or thirty of the middle or western states—the northwestern states especially. There seems to be a fear that if this waterway were constructed the United States would monopolize it, and that we could not control our own country and its destinies. Why, Mr. Speaker, does anyone believe for one moment that if the United States furnished the capital for the great undertaking it would be any different from any other undertaking at the present time? There are many such undertakings, the Carillon dam proposition, for instance. They have spent some twenty million of dollars on one—on the Grand discharge undertaking. Does anyone think Canada is in danger because an American put up half the money for this enterprise? Does anyone fear that such an undertaking as the deepening of the St. Lawrence river would destroy our country and our unity and injure our future? I consider it would be a grand advertisement for all Canada and especially Montreal.

I come, Mr. Speaker, from a section of country called the Eastern Townships, twelve or fifteen counties, some 100 miles from the island of Montreal. Someone will ask me, "Why are you interested?" Let me say, Mr. Speaker, that it would be impossible to expend on the island of Montreal, or in that district, hundreds of millions of dollars without creating an immense benefit to the city and the Eastern Townships as well. It would mean the employment of thousands of workmen. The expenditure of money means employment and a benefit to the whole country. If a person is so narrow as to believe that you cannot develop one part of the country without injuring the other, it is a great pity; and such a belief savours too much of parish politics. If we are to have a country like the great nation to the south of us, unquestionably we must develop our resources. The attitude of opposition to this scheme is beyond my comprehension.

In regard to the exodus from Canada, I think no one is more responsible than the late government. In the case of the great republic to the south of us, were they afraid of immigration? No. They received all those who came, and people came from the great centres of Europe, because they had no chance in their own country, and they hewed out homes for themselves, and many of those people who went to the States with their belongings in a little tin box many years ago are among the greatest men of that great republic. Let us remember that, for the sake of the development of the country, when a bill is brought before us we should not turn it down simply because the project does not come into our district. We cannot have a great Canada without developing our vast resources, and if these resources are developed, they will pay our public debt.

An hon. gentleman yesterday mentioned a subject very dear to my heart. I have spoken upon that question in this House several times, and a gentleman who was once in this House, but who is now in the Ontario legislature, Mr. Keefer, was very much interested in it. He had been down in the British West Indies, and other islands and had seen the great resources of the country. I may say that within my day the United States have made great accretions to their territory, through small wars, through diplomacy and a few dollars. They have enlarged their outlying districts to nearly double their former size. In the British West Indies the people

speak English, French and Spanish about equally. They have got the products that we require, and, instead of buying them from those countries, we have been buying a hundred million dollars worth of produce through concerns in the United States.

I saw an article stating that we had not lived up to an agreement in regard to refrigerator boats to the West Indies. At the period I mention we were buying a hundred million dollars worth of goods from the United States in tropical and semi-tropical products. They were paying the West Indies six cents for an article and selling to us for fifteen cents. Instead of going direct to that country and buying the goods from them, we are buying through the United States. The hon. member for Cumberland (Mr. Logan) brought that point out specifically yesterday. I was very proud of him, because he is conversant with the situation. We need their products and they need ours. We are a manufacturing country. We have the waterways and we have a means of communication with them. You will have observed that it costs practically nothing to transport logs by floating them down a great river. I have a friendly feeling toward that country which, once a little Crown colony, has now attained the status of a dominion—Newfoundland. Newfoundland should be linked up with Canada, and this could be done with the joint approval of the Mother Country, Newfoundland and ourselves. Indeed, the matter had at one time almost come to a head under the regime of Sir Mackenzie Bowell, the proposal being that Newfoundland should enter the confederation on condition of the payment to her of eight millions. An hon. member shakes his head, but that is as I understood it. In that country they have wonderful deposits of iron and coal right on the waterway to which I have referred.

Mr. CARROLL: How would my hon. friend cope with the ice conditions?

Mr. BALDWIN: It has been suggested that ice-breakers be used on the St. Lawrence river so that it would be kept open. That is where the bridging of the straits of Belle Isle would come in; it would keep the ice floes from coming through the straits into the gulf, and through the influence of the gulf stream in the north the ice conditions would be further minimized. Now, the best sense in the world is common sense. The greatest school is the school of observation. Would it be beneath the dignity of those in charge of the affairs of this country to make overtures in this matter? What is this parliament for? Is it simply a debating society? Is it a place wherein a fight may be carried on to determine who shall hold the government benches? One of the finest acts of diplomacy that could ever be attributed to a public man in Canada was that of the making of overtures to the West with a view to the building up of this country. An hon. member across the way laughs. Well, there is an hon. gentleman in front of him who said there was a revolution on in this country, but I do not admit it. There is, however, evolution; many things are evolving. Compare the situation in Canada to-day with that in the United States when the slave traffic and slavery led up to a division between the North and the South and a consequent civil war. It has been said that the nineteenth century was the century of the United States and that the twentieth century would be the century of Canada. Well so it was; Canada was getting along splendidly when along came the terrible world war. Canada did her part; the world recognized Canada as a great country in training 600,000 men and sending them to the front. We have an enormous debt, but we are big enough to pay that debt; we are big enough to shoulder the burden. It is said that many of our people are leaving and going to the United States, and in this connection I may point out that the figures submitted by the leader of the opposition showed big, because thousands of those who go across the border and pay their head tax of $8 return within six months and are paid back their money. The people I would like to keep at home are the capitalists, they should go into Quebec and Ontario and open up some of our great iron mines. Look at the iron deposits that are found in the states bordering this country; look at their vast wealth. We want those men here; we do not want them down there squandering their time. We have a white population in Canada; in the United States they have 12,000,000 negroes—a question of no small account. They have had a great many lynchings down there, a condition which is a disgrace in a civilized country, and which, I presume, they are getting away from.

It has been stated in this House that the people in the West find it difficult to make a fair realization upon capital invested in farm properties. As I said last year, it would appear that both the old political parties are responsible, to the extent of about fifty-fifty, for the expending of $20,000,000 on the Hudson Bay railway. I have said in this House that if the Hudson Bay railway could be put into operation by the expenditure of four or five millions, I was in

favour of it. I represent one of the largest manufacturing counties in this Dominion. No less than three of our greatest industries are located in my county—the great Dominion Textiles, the Union Twist Drill Company, the only whip factory in Canada, and scores of other manufacturers. Now, any such expenditure as I have mentioned, in any part of this great Dominion, reflects itself in my own county. I am in favour of the completion of the Hudson Bay railway. The right hon. leader of the opposition seems to think that he will have an opportunity pretty soon of going before the people; let him come to my constituency and discuss these matters. I doubt, however, whether his expectation will be realized. I believe that this session will continue to its ordinary conclusion and that we shall have two more sessions before the federal elections come on. I would ask the leader of the opposition whether he believes that if an election took place within two weeks or two months, any larger group would come back to this House than is here now.

Mr. MEIGHEN: Not on that side.

Mr. BALDWIN: No, and not on his side. The people of Canada do not forget. Some man goes into the pullman with a box of cigars and treats the men in there; and, as is only natural, there are people in this country, as there are in every other country, who are subject to brainstorms once in a while, and the result is that this man obtains the consensus of opinion of the whole Dominion right in that little smoker. I did not intend to make these remarks, but as the speeches of my right hon. friend the leader of the opposition (Mr. Meighen) are always more or less tinged with sarcasm, I thought it only proper that I should make some observations this afternoon. I think that, instead of indulging in partisan criticism, the representatives of the people in parliament should come here and direct all their energies and their eloquence to the enunciation of a policy that will promote the interests of their own communities and of the country at large as well.

I see a great and glorious future ahead of this country. The twentieth century is going to be a great one for Canada, although the last ten years of the first quarter have been rendered rather frustrate as a result of war and war conditions. But this country, notwithstanding these conditions, will prosper, and in my opinion Canada will grow to be one of the greatest nations on the face of the earth. This, however, can be possible only if our people will throw off their coats and roll up their sleeves and get down to work. What I am most interested in is to see a diminution in the public debt. If we had not the railway octopus to grapple with, we should no doubt have been in a fairly good position today. Some people believe in the principle of nationally owned railways, and no doubt our railways will be a tremendous asset to Canada if the present government remains in power. I do not think that there could be found a greater business man, from the point of view of ability and experience in his own particular line, than the president of the Canadian National Railways, Sir Henry Thornton. Sir Henry Thornton has said that he will make the roads self-supporting in two or three years. I believe he will. That being the case, what better outlook do we want from the standpoint of our railways? All we need to do is so to manage the affairs of the country that we shall be able to make it possible to build branch lines to serve growing communities who are far from any means of transportation at the present time. What we want in this country is optimism, not pessimism; we do not want everlasting fighting in the House, for that is injurious to the interests of the whole country. It does not matter so much what any prime minister says; what is of importance is what the government does. And in justice to the Liberal party, this being only the third session of the present administration, is it not reasonable, sensible and businesslike that they be given a chance to administer the affairs of the country in the way a great board administers the business of an important organization? No one has ever heard of directors fighting around the board; if they did, they would soon cease to function as a body. We are placed here in trust to assist in the administration of the affairs of this Dominion, and we are neglecting our duties as representatives of the people so long as we fail to help the government, by advice and counsel, as far as we can. And the country will never prosper so long as men with the ability and the eloquence of the leader of the opposition continue to devote that ability and that eloquence to purposes other than those which will promote the interests of the people as a whole. We must give up squabbling merely to see who shall sit on the front benches. I promised when I began, Mr. Speaker, that I would not detain the House at any great length, and although there are many other matters on which I should have liked to touch, I shall bring my remarks to a close for the present.

Mr. W. T. LUCAS (Victoria, Alta.): Mr. Speaker, I have listened with a great deal of

interest to the debate as it has progressed, and I am sure that others will agree with me when I say that one can come to no other conclusion than that conditions are not as they should be in Canada to-day. When we members of the West presumed last year to speak on immigration we were described as apostles of gloom. But if our utterances at that time were open to such criticism, I would ask now, what must be said of the very dismal picture that has been so graphically presented to the House by many hon. members, whom I will not name but who have taken part in this discussion? If we have come to the conclusion that something is wrong, then I think we have reached the point from which we may be able to make some progress.

It seems to me that altogether too much time has been consumed in this House in the past in an attempt on the part of both of the old political parties to shoulder the blame upon each other for the conditions as they have existed in the country. During the last two sessions in which I have been in this House we have listened hour after hour to the representatives of one party trying to fasten upon the other party the responsibility for railway conditions and other unfortunate circumstances in Canada at the present time. Suppose we could definitely settle who was responsible in any of these matters, would it put us any further ahead? We should still have our present problems to solve. In my opinion, therefore, as we have all been more or less responsible for conditions as they are, we should try to forget the past and should resolve henceforth to devote our time to a solution of the problems that confront us. This is what we shall have to do if we hope to move in the right direction.

I want to congratulate the hon. member for South York (Mr. Maclean) on the sentiments he expressed the other evening when he suggested that a political revolution was taking place in this country as elsewhere. I heartily endorse what he said on that occasion. I want to say that we from Alberta—and I can speak only for that province—are sent to this House not for the aggrandisement or the promotion of the interests of any political party, but for the purpose of co-operating with other members, no matter from what part of Canada they come, who have at heart the best interests of the country as a whole and are anxious to see its affairs properly governed. Our friends to the right are very fond of throwing taunts at us; they tell us that we are selling our birthright to the government. Let me inform hon. gentlemen that if ever they occupy the seats of government in this House—so far as I, at least, am concerned, and I think I can speak for the other members of this group—if they bring down anything that we consider in the best interests of the whole of Canada, they will get our support as readily as the present government. When we look back over the history of the world we see that conditions have always been changing, and we realize that the Great War, without parallel in its extent and reaction, has brought about conditions very difficult to meet. In connection with these new conditions, I was particularly struck by an article which I read a short time ago in the New Leader from the pen of Ramsay MacDonald, who is very much in the limelight at the present time as Prime Minister of Great Britain. While not in sympathy with proportional representation, he has this to say:

> All that is necessary is that we should adapt our minds and our methods of parliamentary organization to the new conditions.

That, Mr. Speaker, is the most promising suggestion which any leading statesman has yet presented for the future political development of countries enjoying the British parliamentary system. Discussing what proportional representation might bring about Mr MacDonald writes:

> The first effect will be to loosen party bonds. Members, while holding generally to party principles and conceptions of policy, will more frequently than they do now use their own judgment as to how to vote. Parties themselves may have to change, and whilst increasing their propaganda and educational work in the country, will rule in the House of Commons more by their administrative success than by party force, whilst the legislation that will be carried will have to be more in accordance than it now too often is with public desires outside and the course of debates inside. This will tend to curb the partisanship of parties and make them, like cabinets, more public servants than public dictators. This can be put in another way. It will weaken organization, but strengthen reason; it will make ministers more the instruments of the general will than the captains of party horse. On balance, that will be good, but the working of the system will call for more intelligence from the democracy.

Now, world conditions have changed to such an extent since the Great War that new methods are needed to meet them, and yet we as a people are still adhering to old-time methods. A review of the history of the world shows that with the advance of civilization our system of government has had to be changed from time to time to meet changing conditions. To-day I feel sure we have got to make another step forward in order to cope successfully with the difficulties which confront us.

New times demand new measures and new men.
The world advances, and in time outgrows the law
Which in our fathers' time seemed best;
And doubtless after us some better scheme
Will be worked out by wiser men than we,
Made wiser by the steady growth of truth.

I congratulate the government upon having at last, after wandering about for two sessions, found the long-sought chart and compass, and I trust they will now be able to navigate the ship of state to the port of prosperity.

5 p.m.

I was much interested last week by the address of the hon. member for Bonaventure (Mr. Marcil) in which he described the scenic beauty and natural resources of the peninsula of Gaspé, and I would detain the House for a moment while I deal with the area and potentialities of the province of Alberta and the achievements of its people. Our province stretches seven hundred and fifty miles from north to south, and its breadth from east to west varies from a hundred and eighty to four hundred miles, with a total area of 255,280 square miles, or 163,382,400 acres—an empire within an empire. Allowing for areas covered by lakes and rivers and the rough land of the eastern slope of the Rockies and other waste districts, we are still left with 82,810,400 acres that can be easily converted to profitable agriculture. And yet we find to-day that only ten million acres are under cultivation. During the past year we produced in that province 167,265,084 bushels of wheat and our total production of all grains was over 305,000,000 bushels. During the past twenty-six years we have had an average yield of 19¼ bushels of hard and 20¼ bushels of winter wheat per acre. At the Chicago International Show our farmers, in open competition against the world, carried off the following awards: In 1920, nineteen prizes and two championships; in 1921, thirty-two prizes and four championships; in 1922, thirty-six prizes and three championships; and in 1923, forty-three prizes and four championships. The results achieved have convinced us not only of the volume of grains and grasses capable of being produced in our province, but we are convinced that these stand head and shoulders above those produced in any other province or state on the North American continent. When I add that those results have been achieved by a population of less than 600,000 people. I think hon. members will agree with me that those people have every reason to be proud of their success. Year by year we realize more and more that there are no bounds to the production of wheat within Alberta. While mixed farming forms a very important part of our agriculture in that province, yet it is patent that the cultivation of wheat is the principal money-producing crop, and will continue to develop to a greater and greater extent as the years go by.

Apart from agriculture, we have vast coal and other mineral resources. It is estimated that the total coal reserves of the province exceed one hundred billion tons, comprising 87 per cent of the coal areas of the Dominion, 72 per cent of those of the Empire, and 14 per cent of those of the world. I hope a solution of the transportation problem may be found whereby the coal of Alberta will be hauled to Ontario at a rate which will make it possible for the people in that section to use and thus save over one hundred million dollars now paid annually to the United States, for this money would be distributed from one part of Canada to the other in labour and other costs and to this extent help us to pay our debts, particularly in the West.

I think, Mr. Speaker, I have abundantly shown that we have the ability to produce in Alberta. But what are the handicaps we are laboring under? While I may have to present a sectional viewpoint in this connection, my opinion is that what affects one part of the Dominion adversely is bound to react to the prejudice of the whole country. We in Alberta are situated on the eastern slope of the Rocky mountains. We have a longer freight haul than any other part of the Dominion for our produce going out and for all the commodities that we use coming in. Now nature never intended that to be so. We find that while the Rocky mountains lie between our province and the Pacific ocean, nature has provided a pass through these mountains, and our National railway traverses them on a gradient of less than half of one per cent for the greater part of the distance, with a maximum of only seven-tenths of one per cent for a distance of some twenty-eight miles. Yet we find that we are denied that natural outlet for our products. While a reduction of tariff will have a great effect, and will no doubt help us in many ways yet I am forced to this conclusion, that one of the greatest handicaps the people of the West are labouring under to-day is the transportation difficulty, and I am sure that there is nothing this government and this parliament could do for western Canada that would give that section of the country a greater measure of satisfaction than the equalization of freight rates as between the East and the West.

To give you an idea of the conditions we are labouring under in regard to freight rates, if you take eastern Canada at a basis of 100, the freight rates over the prairies will be represented by 120, and of British Columbia by 135. If you are going to adopt the principle of apportioning the freight rates according to the cost of construction or operation, then let us adopt that principle for the whole of Canada. When you take into consideration that the earnings on our roads in the West have greatly exceeded the earnings in the East, we are not prepared to admit that the cost of construction and operation in the West are greater than in the East. Let me give you these figures. From 1907 to 1911 the net earnings on the eastern lines amounted to $43,500,000, and on the western lines to $91,500,000, or $48,000,000 more in the West, or 110 per cent greater. From 1912 to 1916 the net earnings in the East amounted to $60,000,000, and in the West to $152,000,000, or $92,500,000 more in the West, or 154 per cent. From 1916 to 1920 the net earnings in the East amounted to $70,000,000 and in the West to $144,500,000, or $74,000,000 more in the West, or 105 per cent. In 1921 the earnings in the East amounted to $11,000,000 and in the West to $30,000,000, or $19,000,000 more in the West, or 157 per cent. Is it any wonder there is dissatisfaction in the West under this treatment?

There is a great deal of dissatisfaction in all parts of Canada to-day. We hear rumblings from the Maritime provinces, from central Canada and from the West, and certain members in this House seem to be of the opinion that we from the West are whining for some special favours. I should like to say to this House and to the people of eastern Canada that we from the West are not asking for any special favours. We are simply asking for equal opportunities, and we shall never have unity in this country unless it is founded upon a spirit of justice and equality.

In shipping our goods to our natural outlet we have what is known as the mountain rate, the export rate, and the domestic rate. For instance, we have an export rate at the present time from Calgary or Edmonton to Vancouver of 22½ cents per 100 pounds of wheat. The domestic rate is 42 cents per 100 pounds. I have tried to get some explanation from our freight experts and others in this country as to the justification for this domestic rate, but up to the present time I have not been able to find anyone who could give me any justification for it. We find that there is no domestic rate on wheat in eastern Canada, and the result is that a farmer in the West shipping two loads of wheat to Vancouver, if he ships one load to a Chinaman, and the Orient is taking a great deal of our wheat to-day, it pays an export rate of 22½ cents per 100 pounds, whereas the other load, if it is shipped to a fruit grower or a chicken farmer in British Columbia or to one of the mills there, has to pay the domestic rate of 42 cents per 100 pounds. We are evidently favouring the Chinese farmer in our freight rates, and enabling him to raise his eggs cheaper and flood this country with Chinese eggs to the disadvantage of our Canadian producers. Yet we are supposed to have a railway commission to deal with such matters.

When we come to the tariff it is a question that the two old parties have fought over in this House for the last forty years and it is still about where it started. We know that the tariff has been a political football ever since confederation, I want to disabuse the minds of any hon. members of the idea that we farmers are here to put our manufacturers out of business. I do not think there is a farmer in the West who wants to see that happen. We realize that we must have manufactures in this country, but one industry cannot be built up at the expense of another, and it seems to me that the only solution of this question lies in getting together in a spirit of co-operation and endeavouring to settle this question on a strictly business basis. Only by acting in that way shall we improve our conditions.

Another great handicap we labour under in the West is the matter of credit. I do not stand before this House and say that we want more credit in the West, but just as Great Britain came to the United States a couple of years ago to make arrangements for refunding her debt, over a long period of years and at a low rate of interest, so we in western Canada to-day are simply asking you to put us in a position where we can fund our debts into one loan and spread the payments over a number of years, thereby giving us a chance to meet our obligations. We are not asking for more credit, nor is any man trying to get out of the responsibilities he has assumed at the present time, but we want to make it possible for our people to pay their debts. We see what the United States is doing to help the agriculturists of that country in the matter of credit. Within the last year they brought in a rural credit scheme, and to show you the advantage the American farmer has over the Canadian farmer in making a loan, the American can secure a time loan of say $1,000, spread over thirty-four years, at the rate of 5½ per cent, which

amortizes the loan. At the end of that period he will have paid off in principal and interest a sum amounting to $1,870. Now a farmer in Canada borrowing $1,000, and letting it run for thirty-four years, at 8 per cent—I am taking that as the general rate, although a great many of us are paying a higher rate of interest—will have paid back at the end of thirty-four years in principal and interest $3,720. Now, I think that is a handicap impossible for the Canadian farmer to overcome.

We all realize that immigration is one of the crying needs of Canada to-day. We have a country that is not equalled in any part of the world. We have vast natural resources, millions of acres of land that are yet uncultivated, and we have provided facilities for a population many times our actual number; we find a population of nine millions of people trying to carry a load which possibly twenty-five or fifty millions should support. Now, what is the problem before us. We all agree that our people are leaving the Dominion. Is the problem before us to spend money in going out and seeking to bring in others to take their places, or should it be our main object to try and get together, find out what is responsible for that exodus, and other evils and then provide the remedy. I believe there is no comparison between a Canadian born and bred in this country and any foreigner who may be brought in to take his place. And yet we find to-day that our Canadian born sons and daughters are leaving this country, and instead of spending money to find out what is causing this exodus, we are making expenditures on an immigration policy and flooding Europe with advertisements to attract foreign born settlers to Canada.

There is one thing we must recognize. That is that Canada is a hard country to govern. Stretching as it does from ocean to ocean, with so many divergent conditions in different parts of the country, we must adopt a broad outlook. Having realized the position we are in, we should adopt a different policy from that which has been followed in the past. We should discard the idea of considering, when a question is introduced in the House, whether it will be in the interest of a party, whether it will keep a party in power, or enable a party to get into power. We must forget all ideas of that kind, and try to evolve a policy that will be in the interest of the country as a whole.

There is one other question to which I would like to refer. It has been in my mind for some time, and it was brought out the other day when the hon. member for Centre Winnipeg (Mr. Woodsworth) was speaking of the judiciary. I am merely going to throw the suggestion out to the government and hon. members. I believe we all want to see the judiciary occupy a status high above any possibility of reflection. I want to make it quite plain at the present time that I am not casting any reflection upon our judges; but I think they should be in such a position that there would be no possibility of reflecting upon them in any manner whatever. Therefore I should like to see the appointment of judges taken out of the hands of the government and no longer continue to be a matter of political patronage. It seems to me that appointments to the judiciary could very well be left to the bar associations in the various provinces throughout the Dominion. I feel sure that the lawyers in our various provinces have enough pride in their profession to see to it that none but the very best men would be selected to sit on the bench in a judicial capacity. At the present time it is very often felt whether rightly or not, that a man is rewarded to a seat on the bench because of his political activities, I do not think it is in the best interest of the country as a whole that this should continue to be the case.

In conclusion, Mr. Speaker, I want to say there is no argument in regard to the wonderful character of our country. We have a land that will provide bountifully for millions: We have a class of people that, when they go to other countries, can hold their own in competition with anyone. It seems to me therefore that if we would just use a little of the common sense that the Almighty has endowed us with, and get together here not as men from the East or from the West but as Canadians assembled in parliament, and wipe away much of this party prejudice from our minds, we could solve the problem that confronts us and by so doing make of Canada a prosperous and contented land, and a land to love.

Mr. C. H. DICKIE (Nanaimo): Mr. Speaker at the outset I wish to associate myself with those who preceded me in tendering congratulations to the mover and seconder of the Address in reply to the Speech from the Throne. I also, in common with other hon. members, deplore the absence of one so universally and respectfully esteemed as the Minister of Finance (Mr. Fielding).

I regret very much, Mr. Speaker, to see omitted from the Speech any suggestion of any legislative action whatever with respect

to the retention within our Dominion of our forest reserves. I think, Sir, this is a question of immense importance to our country. It is quite possible that owing to the fact that a commission, an expensive commission, is at present touring the country and inquiring into the obvious, that the government does not care to make a pronouncement on this question until the findings of the commission are at hand. Otherwise I consider their conduct is inexcusable, in view of the very great blunder that is being perpetrated by the failure to protect our country by preventing the exportation of our raw forest products. The commission in question was sitting in British Columbia prior to my departure; I presume it is sitting there still. Owners of timber lands, American tugboat owners, and others engaged in logging were giving evidence against the imposition of an embargo upon the exportation of raw material. That those who were profiting by exportation should be against the imposition of an embargo was naturally to be expected and was the case. As usual the general public of British Columbia paid little attention to the commission, and I can safely say, through long residence in that country, and familiarity with the conditions, economic and otherwise, that were the matter subject to a plebiscite, 85 per cent of the people of British Columbia would vote for an embargo to prevent the exportation of saw logs from our country. Those logs are leaving our country at an ever accelerating rate, and we are alarmed at the rapid depletion of our forests. All talk of reforestation with Douglas fir is futile and nonsensical. The difficulties in the way of renewing the forest growth of our country are absolutely insuperable. We see our logs going, day by day, in immense booms across the border, to enrich our neighbours, and our young men are following there, to engage in the manufacture of them. We are harvesting the last crop of Douglas fir from our mountain side, and leaving behind a scene of desolation that is hard to describe. I remember once noticing a picture of Dante's Inferno by Gustave Doré which very fairly represents what the countryside looks like after being logged over. If the harpies were present the resemblance would be complete. In 1920 we exported in round numbers 28,000,000 feet of lumber in the form of saw logs from British Columbia. In 1921 we exported 90,000,000 feet and in 1922, 151,000,000. In 1923 we exported 233,000,000 feet. There are reasons for expecting that the figures will run to approximately 500,000,000 in 1924. It should be apparent to all that in the interests of the present, to say nothing of the coming generation, we must at least see to it that our timber is manufactured within the confines of our country; and even then we are perhaps cutting too freely. Let "festina lente"—make haste slowly—be our motto with respect to harvesting our timber and even our generation will profit thereby and will bless us.

Just prior to leaving the West I was credibly informed that eight standard sawmills were being or about to be erected on Puget Sound waters just south of the International boundary line. What is termed a standard mill will cut 250,000 feet of lumber per day. The eight mills in question would cut 500 million feet yearly, and it is obvious to those familiar with forestry conditions in that country that British Columbia is being looked to almost entirely for a log supply. You can easily see what a deplorable situation this is. To bring the enormity of our immense log exportation more clearly before you, let me say that the total lumber cut of New Brunswick in 1923 was 265 million feet, and surely every person, especially those from the Maritime provinces, will realize the great importance of the lumbering industry in that province. We next year will export twice that many logs, I have good reason to expect, to our American cousins.

Dr. Mayo of Rochester, Minnesota, in a recent address given under the auspices of the Canadian Club at Victoria, B.C., strongly impressed on his audience the immense importance of conserving our forests, saying that the people of his state were now realizing their folly in allowing the slaughter of their forests in one generation. A very substantial company from the southern states has recently acquired a tract of timber in British Columbia estimated at 3,000 million feet. Before leaving for the south to complete arrangements for operating, Mr. Jasspan, the company's manager, said in part:

> The depletion of our southern forests is a calamity for which this and coming generations will suffer.

He also said:

> We do not contemplate entering into the sawmill business, we will sell our logs.

The logs in question, Mr. Speaker, will doubtless go across the line. The Financial Post of February 29, has this to say with respect to the momentous question of timber exports:

> The Ontario legislature will be asked to approve of legislation placing an embargo on the exportation of hardwood from the province. The measure is designed to force United States plants in Minnesota and Wisconsin to cross into Ontario to manufacture their pro-

ducts if they desire to use Ontario hardwood. The measure is similar to the pine embargo of some years ago. That measure resulted in many saw mills locating in the north. There are about 1,300 hardwood plants located in Wisconsin and Minnesota. Henry Ford entered the area and purchased practically all the available reserves. The estimate made to-day is that the end of seven years will see but 100 to 110 of these plants remaining because of the exhaustion of their supply of raw material. Realizing this there has been a rush into Algoma, United States concerns have eagerly sought control of the available limits on the Canadian side. It is understood that one American concern made a contract to ship 100 million feet of hardwood across lake Superior. This was to have gone to the Iron Mountain plant of Henry Ford. Ontario's reserves of hardwood are limited. The estimate is that the small area in which hardwood thrives contains 6,500 million feet. This includes the big forest reserve and runs north to the border of the clay-belt. In discussing the embargo, Hon. James Lyons, Ontario's Minister of Lands and Forests, pointed out that some years ago the numerous saw mills around Saginaw and Bay City, Michigan, were importing Canadian logs heavily. An embargo was placed on their exportation with the result that there is $75,000,000 invested in saw mills around the Soo to-day. The Canadian Pacific railway line, Soo to Sudbury, is studded with them. He also points out that in 1900 there was an embargo in regard to pulp with the result that $190,000,000 are invested in the pulp plants of the province to-day.

This, Mr. Speaker, is my case against the exportation of saw logs. I have been fair in my arguments and if the House believes my statements, surely the hour is at hand when we will cease temporizing with this deplorable situation.

Now a few words with respect to pulpwood exports, although I confess at the outset that I am not as familiar with this question as with the one I have just dealt with. Pulpwood exportation is just commencing in British Columbia and I hope to see it strangled at birth. In 1923 there was exported from the Dominion to the United States pulpwood to the value of thirteen million dollars. Had this pulpwood been manufactured into paper it would have had a value of ninety million dollars, seventy million at least of which would have gone to labour, to people who live in our country, people who purchase the products of our farms and of our factories, people who would help to build up our nation. Instead of that this pulpwood has gone across the line to our neighbours. Surely this is bad policy for Canada.

What wonder, Mr. Speaker, that we are considered by our southern neigbours who are playing with us as a cat plays with a mouse, to be simple, non-progressive, credulous people, when in addition to errors which I have enumerated, we are going to lower our tariff barrier to those who say to us in terms that all who run may read, "We want nothing from you primitive people but your manhood, your money, and your raw forest products". Have we no economic sense? Have we no sense of national dignity; no national pride? I have no word of criticism of the business methods of the Americans. I have the utmost respect for their business acumen. Let us profit by their example. Let us pull ourselves together, sit up and take notice, and subscribe to the sentiments as expressed in the old Loyalist toast, "Here's to my country, may she ever be right, but right or wrong, my country".

Still we are a credulous people and we are buying too freely from those people. We have a balance of trade from Great Britain, our best friends in a business sense. We simply add millions to that balance of trade and pass it over to our neighbours south of the line.

We all know that the mid-western farmer is penalized to a certain extent because of tariff, but in the province from which I come we absolutely could not exist without the tariff. Our manufacturers, hundreds of them, five hundred in Vancouver, would have to go out of business if there was not a substantial tariff. We are side by side with a strong industrial nation which could afford to give away in Canada one-tenth of their product in order to put our people out of business, whereupon their prices would again go up. Our farmers and our fruit raisers in British Columbia are in just as serious straits as you are in the West. Fruit comes in from the Wenatchee, Cashmere and Yakima valleys to the south of us a little earlier than our fruit is available. Their berries come in earlier and our market is flooded. In other words these products are dumped in on us and dumped in on the prairies before those who have expended many millions in our country can get their fruit on the market. That is the competition which the people in the Okanagan country have to meet.

Speaking about hardships on the prairies reminds me of the story of two men who were fishing in a lake in British Columbia and who saw a man struggling in the water at the foot of a cliff. They pulled toward him as rapidly as they could and succeeded in rescuing him. After some fishermen's supplies had been administered to him he sat up, looked at his watch, and said: "Will you put me ashore? I am behind with my work. This is the third time this morning that I have fallen off my ranch." These are the things the farmers have to contend with in some parts of British Columbia. On the prairies a man does not have to be an amphibian to farm.

I regret very much to hear any talk about secession coming from hon. gentlemen to my left. I do not think that is the feeling that

permeates the middle West. I do not like to hear this talk of the sound of a breeze going through the tops of the mulberry trees, or anything that smacks of a feeling that we are not going to be a united people. Let us forget all this racial and religious talk; let us realize that we all have our troubles. The Maritime provinces undoubtedly suffer because of our tariff policy; well, we can make up for that by giving them a quid pro quo. We certainly can give a quid pro quo to my neighbours to the left; there are ways in which we can more than make up to them what they lose through the tariff, as was so ably pointed out by the member for Fort William (Mr. Manion) this afternoon. I say with certainty that we in British Columbia could not exist—the farmers could not exist, the manufacturers could not exist, without a suitable tariff. The same can pretty well be said about Ontario and Quebec. With the Maritime provinces it is different, and it is different with you people in the West, but surely there is some way by which we can get on common ground, and avoid taking any step which, while giving comparatively small benefit to the western people, would sacrifice the manufacturing industries of Ontario and Quebec.

We have all read the startling articles in MacLean's Magazine with regard to what may be termed the "'pork barrel" argument. Part of one of those articles contained an attack on my friend from Victoria City (Mr. Tolmie). It is stated that a dry-dock was promised to Victoria as a bribe to elect that hon. gentleman. Sir, that is unqualifiedly false, because that dry-dock was promised years before the member for Victoria City entered political life. The member for Victoria City did not need to offer a dry-dock as a bonus to bring about his election. He is a well known native son of that province and I believe he could be elected in any British Columbia constituency without giving a dry-dock or anything else. Moreover, the dry-dock is not in the constituency of the hon. member for Victoria City, it is in mine. I only hope that when this gentleman writes other articles of that kind he will keep a little nearer to the facts, because he has done an injustice. A branch of the Yarrow shipbuilding firm was located in Esquimalt long before the member for Victoria City ever thought of politics or was thought of by others in that regard. Subsequently the Yarrow firm started there because of assurance that a dry-dock would be built and are now doing an immense business. They have ships there all the time and they will have larger ships when the dry-dock is big enough for them.

[Mr. Dickie.]

It was stated also in this "pork barrel" article that there already was in that district a dry-dock 265 feet long. The dry-dock is 230 feet long, and I know of six or seven war ships which during the troublous days of the war had to go to the American side to be docked because the facilities in British Columbia were not adequate. Our friends in Vancouver, of course, do not feel the same enthusiasm for a dry-dock as I do. I think, however, that with the rapid strides that are being made in that wonderful city of Vancouver, in two or three years there will be room for two or more big dry-docks in British Columbia. There are sixteen large dry docks to the south of us on the American side, and the opportunities of shipping coming into our country or going through our ports on the way to American ports are undoubtedly very great.

I was rather amused by some figures quoted by the very gentlemanly speaker from Montreal by way of proof that the exodus of people from Canada during the last two years was no greater than it had been during the two preceding years. That shows what can be done with figures. The hon. member must know, or he should know, that such a conclusion is absurd. Everybody knows, even the boy on the street, that during this last year the exodus to the States more than doubled that of the two preceding years. We in British Columbia do not know where to look for young men. They are going down to southern California, and there are very good reasons for that: unexampled prosperity reigns down there owing to the development of immense oil wells and other activities. Now these people are coming back, but only very slowly. I do not think the exodus will continue for any considerable time, but before we can stamp it out, before we can do anything to make this the country that we want it to be, we must have what has been mentioned time after time, namely, stability of tariff regulation. The people must know where they are at. Those who come from the West must realize that, in view of what they have heard. They heard it from the hon. member (Mr. Harris) who spoke last night, and who told how men engaged in industry in Toronto, industry in which hundreds of thousands of dollars had been invested, had during the last two or three years worked with their overalls on, fought with their backs to the wall, to make this a prosperous country. Still you gentlemen would lower the tariff. If you give the question the thought that it deserves I am sure that you will arrive at the conclusion that there is some other way of meeting the situa-

tion than by lowering the tariff and sacrificing the interests of Quebec and Ontario.

In conclusion, I would simply plead that we forget sectionalism, that we forget this talk of secession. We are one people, a British people, and Canadians above all. We have our difficulties. We have our racial dividing lines, though they do not prevail in the West. In the constituency that I am trying to represent we have many French Canadians and they are among the best people we have—I would we had more of them. They still hold to the teachings that they imbibed at their mother's knee, in the matter of religion and everything else, and I give them crediit for it. They are men, too, who take an active part in our public life out there. I may say, Mr. Speaker, that although I am a Conservative every one of these people voted for me in my constituency. I do not think that there is anything further that I care to say at the present time.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. MURRAY MacLAREN (St. John City and Counties of St. John and Albert): Mr. Speaker, the subject which I desire to discuss is to be found in the thirteenth paragraph of the Speech from the Throne. It is the shortest paragraph and deals with the development of Canadian trade through Canadian seaports. The Prime Minister in his speech did not refer to this important subject, but I hope it will receive in inverse proportion the attention which it has received up to the present time. He brushed aside the significance of the recent reverses to his party in the East by saying that they were due to sectional issues. Sectional issues! Our experience is that such issues receive the greatest attention at the hands of the government. To that land of sections and half sections, the prairie provinces, the Crowsnest pass agreement was offered last year; this year a reduction of the tariff on the instruments of production is promised; and next year or in the near future, should the government continue in power, the West will probably have its hopes revived in that Utopian vision, the Hudson Bay railway. The promise of its completion will be brought in on a charger and presented to the Progressive party. The leader of that party has already said, as have his supporters also, that this project must be carried out. Not only is the Progressive party the life and breath of the government, but it has now assumed to act as the administration's mouthpiece. I can readily understand that when a government has to contend with assaults from without as well as from within its vitality is likely to be very much weakened. Indeed, its vitality is now at a very low ebb, and the further discussion of this question has apparently been handed over by the government, appropriately enough, to the vigorous representatives of the northwestern provinces.

Mr. GRAHAM: If my hon. friend will allow me? He must not get his leader in wrong. Does he not know that the right hon. gentleman has declared himself in favour of the Hudson Bay railway?

Mr. MacLAREN: I am trying to represent the views contained within myself.

Mr. GRAHAM: The assaults within the party.

Mr. MacLAREN: Fortunately a great many men on this side of the House have views of their own and are quite capable of expressing them. I am presenting my own view, and I am not alone in entertaining it. I tried to get an expression of opinion from the Minister of Railways last year with regard to the completion of the Hudson Bay railway, but, unlike my leader, he apparently held no opinion on the subject, at least he failed to give expression to any. These reverses of the government were not due to sectional issues but were largely due to questions of transportation which I am now discussing.

I listened yesterday with very careful attention to the speech delivered by the hon. member for Cumberland (Mr. Logan), and I desire to say that many of the important subjects he dealt with received my complete acquiescence. I would refer first of all to the British preference. For many years we had a statute providing that British imports must be made through Canadian ports before the preference would become effective. This law was to be put into force by order in council, but it was never promulgated. Last year, it will be remembered, the Minister of Finance (Mr. Fielding) introduced a motion providing for a 10 per cent preference on a large number of British commodities, subject to one condition, that they be brought in through our ports. This was an acknowledgement of an important principle and was, I think, an advance on the tariff legislation that had been enacted up to that time. But after all, it is really a nibbling at the question. It is ten per cent. To be plain about the matter the figures at the present time are not conclusive because the time has been too short to prepare the statistics bear-

ing on the point, but the belief is that even the ten per cent has had considerable influence in increasing Canadian trade through Canadian seaports. I would join with the hon. member for Cumberland (Mr. Logan) in urging that the motion as previously passed by this House should be readopted and put into force, so that all goods receiving the preference must come through Canadian channels. I see this further advantage in it; it does not disturb the tariff. You have a tariff, and then it is interfered with by inserting the ten per cent, but if it applies generally to all goods imported through Canadian ports, only the tariff is not disturbed.

Then there is the matter of trade with the West Indies. That, I think, was well put before the House by the hon. member. There is an opportunity for this country to benefit to a vastly greater extent than it does at the present time by the proper adjustments of duties and tariffs.

Then as to coal production in Canada. The bringing in of a policy that would be so arranged that we would be independent of any other country for our supply of coal is one of the important questions of the day. I cannot but think that the making of much greater use of our own coal than we are doing at the present time is well within our possibilities. I noticed that the hon. member for Cumberland was in favour of a duty upon bituminous coal somewhat higher than the present duty. He was careful to point out that this was not protection for the coal, but simply a tariff for revenue. What he wants is a duty on bituminous coal for revenue, for the purpose of giving protection. Now the difficulty with many members is that certain duties are perfectly all right and advantageous provided you do not put a protectionist label on them. To my mind it makes no difference at all whether you attach the name protection or not if you put the duty on, and if the hon. member for Cumberland is satisfied with that kind of designation I do not think we need worry very much about it. The result and the effect are there.

Now, a word about what was called the old Intercolonial railway. According to my understanding, the Intercolonial railway is not an integral part of the Canadian National Railways. I believe that the accounting is kept separate, and it is kept separate because the government regard it as on a different basis. I believe that under the British North America Act, technically speaking, it is not and cannot be a portion of the Canadian National Railways. Then there is the Railway Commission. The Railway Commission, cannot deal with the rates on that portion of the system called the Intercolonial railway. As a matter of fact, it is somewhat of an academic question. The Intercolonial is operated and managed with the Canadian National Railways as a matter of convenience, and because it is a matter of considerable advantage, I believe, from many points of view. That is my interpretation of the Intercolonial question. I am not sure that I have satisfied the Minister of Railways (Mr. Graham) on that point, but be that as it may, I think my view is put forward with considerable accuracy.

Now I come to the Canadian National Railways, and I am pleased to see the Minister of Railways in his seat. It seems to me that there is a great deal of what may be termed loose thinking and loose speaking about the relationship between the Canadian National Railway board, the government and the country. The government says a good deal along this line: We will give the railway board a free hand. Now that is an inaccurate expression, and in a matter where it is so important to define the exact relationship between the railway board, the country, and the government, I think we should have something more explicit than simply the words "a free hand." Under the act the railway board is appointed for the operation and management of these railways; for the operation and management, that is all. I presume, then, that if you say it has a free hand, it is a free hand under the conditions as expressed, that is, in the operation and management. But the board, if you read the act, is also subject to conditions and restrictions as imposed by the Governor in Council. The government, however, have imposed no conditions and no restrictions through order in council, and none are filed in that office. In other words, the government have not exercised any supervision or given any directions to the railway board. I do not mean that there should be small restrictions; I mean something above and higher than the question of operation and management. There is an opportunity there, and I presume that when the act was drawn it was put there for that purpose, in order that the government could exercise its functions on the higher ground of the best policy having regard to the conditions of the country, and that that idea be expressed and conveyed to the railway board.

Mr. MACLEAN (York): Is there any provision in the act which puts that responsibility upon the government?

Mr. MacLAREN: The act states that the board has conveyed to it the operation and management of the railways. I say that the government has the power of limiting, of re-

stricting, of supervising the action of the railway board. It is laid down so in the act, and here there is an opportunity for the government to express a high policy regarding the greater matters of transportation in this country. I also say there has been, up to the present, no such policy conveyed to the railway board. It is not necessary of course, for the government to do that; they may have no policy. I presume they have not or they would so express it. In reality, one looks on the railway board as an organization which should not be interfered with in any way in matters that come legitimately within their powers unless, of course, something occurs which must be criticized. Politics must not enter into the management, but no one wishes that politics should enter there. I did not know where to place my hon. friend from Cumberland yesterday when he spoke of indirect appointments by the government to the railway system. That is a matter a little too vague in character to try and enlighten the House upon.

Now, as I say, while the government has this authority to condition, it is not free to take any policy it sees fit regarding the railways. The railway board is subject to the government, and the government is subject to the statutes that have been previously passed by parliament, and that I believe is a very important point. The government itself is not free; it is limited by statutes which have previously passed parliament. I should therefore ask what these railway acts are. My hon. friend (Mr. Logan) yesterday referred to them, and said that some of the provisions had come within his knowledge only within the last few weeks. This to us is somewhat surprising as he is looked upon as the defender of the rights of the Maritime provinces. If it be true in his case there are probably many other members of the House who are not familiar with these acts. I therefore ask hon. members to refer to the acts in question and see exactly what is contained therein. I will not attempt to quote them, I did so last year, but I again draw the attention of the House to three acts in particular. One is the National Transcontinental Railway Act of 1903, another is the Act respecting aid toward the construction of the Canadian Northern Railway of 1911, and the third is the Act respecting the Canadian Northern Railway System of 1914. These acts were passed during the periods of both the Liberal government and the Conservative government. There is no way by which the present government or the opposition can decline to accept responsibility for one or more of them.

If hon. members will take the opportunity of reading these statutes they will be surprised, I believe, at all they contain. They may vary in degree, but even the powers conveyed by one or any of the three are very great and would have an enormous influence on the trade of this country. They all lay down that unrouted freight is to be passed over our Canadian railways to Canadian seaports. Large financial assistance, in some cases enormous financial assistance, was granted these railroads and in return the companies undertook to do certain things. You will find the conditions all set forth in the statutes, but for one thing they undertook that unrouted freight should be forwarded over Canadian railways to Canadian ports with a view of building up a great national policy regarding transportation in this country. That being the case, when the government took over the system of railroads it took over the commitments as well as the lines. Therefore I would submit that under all Canadian governments the control and conduct of our railway system must be subject to what is contained in these three acts. I have never heard any member of the government refer to this matter, nor do I know how the government view this question. I ask the Minister of Railways—I would ask the Prime Minister if he were present—to take the opportunity of giving the House and the country a clear statement regarding this matter. Does or does not the government consent to and accept these commitments as authoritative and as governing the actions of the railway board and themselves in the management and operation of these railways? Will the Minister of Railways convey to the public his interpretation? I think it is fair to ask for it. If it be the view of the government that these matters are authoritative, and therefore capable of being put in action, that is something that will affect the interests of our country to a very great degree. If by any chance, on the other hand, it does not appeal to the minister, I can assure him that the country will demand it. It is a request which is considered right, and the people are looking for the fulfilment of these promises and conditions. It is more than a simple matter of an agreement or contract between the railways and the government, it is also really the assent of parliament to a great policy. When those acts were adopted this House was assenting to the policy being laid down and being accepted, that transportation so far as possible should be over our Canadian rails and through our Canadian ports.

I think the attitude of everyone in this country towards the railway board and towards the National Railways should be a friendly one. I myself am a believer in nationally owned railways, and in any case, whether one is or is not a believer in them, I think our attitude should be friendly and one of support to the railway board. That does not mean that one must not, especially in parliament, take the opportunity of criticizing, if he thinks there is a fair opportunity for criticism. I think we should be rather unready to criticize, because technical knowledge is required on that board, and we probably do not know all the details; but still there are occasions I think when anyone will see that it is proper to criticize. I must not forget that it may be also proper to commend. I think one should not have any small spirit in the matter, and when one sees reason for commending the railway board I think he should do so. I do not say there is not an opportunity—I think there have been opportunities—for commending the railway board. The chairman of the railway board, Sir Henry Thornton, makes speeches occasionally throughout the country. He made one in December of last year in Toronto before a body of commercial travellers, and the report of the meeting states that it was unusually largely attended. I think one should be careful at all times, but should be especially careful when addressing a body such as commercial travellers, alert men, who are travelling all over the country; and if a statement is made to these travellers by someone holding the position of chairman of the railway board, that statement will go all over the country. If it is not quite correct, then there is a lot of misinformation disseminated. What did Sir Henry Thornton say to the commercial travellers in Toronto? He referred to many subjects, but came finally to the section where I have the honour to live, the Maritime provinces, and the report states:—

> The great complaint he recognized had come from the Maritime provinces. They said that they were being discriminated against. Sir Henry could not see that the Maritime provinces had any complaint.

Mr. McMASTER: He must know very little about them.

Mr. MacLAREN: That is a fair inference, but I do not know. He has had an opportunity. Surely he has had the opportunity of conversing with Maritime men and with some of the representatives of the government who come from the Maritime provinces and yet he says, that as far as he can make out, the Maritimes had little to complain about. I think a little less speaking and a little more listening is a—

Mr. McMASTER: A prescription that might be followed.

Mr. MacLAREN: No, but an aphorism that many men could apply to themselves with great advantage. We come to one more speech by the chairman of the railway board, and this speech was delivered in Montreal in February last. He was speaking at the St. James Literary Society, and he spoke again on various questions affecting transportation and railway matters of the day, and at the end of his address one of the audience brought a great many points before him, and especially as to how the railway was failing to work out properly in the Maritime provinces, and Sir Henry said:

> As for the Maritime provinces, I frankly do not know what to do. I do know that it is time the rest of us got together to find a remedy for the discontent of the people down there.

Now we have heard the two statements, and it may be that he has received further information since he made his Toronto speech, but be that as it may, he says that he does not know what to do, but that something should be done, and he thinks the matter should be taken up seriously. Now that being the position Sir Henry Thornton finds himself in, I presume he has made a report to the government on this point. It would seem a natural and proper thing to report to the government what he had found and that he did not know what to do. He knows there is cause for complaint and thinks that action should be taken. If he has not represented that matter to the government, I would suggest to the government that they inquire from him what means he would suggest to bring about a better condition of affairs.

I wish, Mr. Speaker, to illustrate one cause of great dissatisfaction not only in the Maritimes, but over large sections of the country, and it is in reference to the grain traffic through Portland, Maine. There they are, the cities of Halifax and St. John, not very far from the city of Portland and what do we find? In November and December of 1923, and January of 1924, through Portland, Maine, and conveyed over the National railways, were 6,831,294 bushels of wheat. At the same time during the corresponding months, November and December of last year and January of this year, through the port of St. John, over the Canadian National railways, were conveyed 458,168 bushels of wheat.

We find nearly seven million bushels of wheat going through Portland, Maine, as against less than five hundred thousand through the port of St. John; and yet the chairman of the railway board says at one time in Toronto that he does not know what the cause of discontent in this matter is. Here, as I am pointing out to you is a very much larger amount of grain passing over Canadian rails through to Portland, Maine, over the National railways, as compared with that which passed through St. John. That, I submit, unless it has been specially routed, should go through Canadian ports. The Canadian government and the Canadian railways are bound by statute to encourage as much as possible the passage of grain over Canadian rails through our own ports, and discourage the passage of grain over our rails to foreign ports. Here apparently is shown that at present the provisions contained in the statutes that I have already referred to are not being observed. To show that there is more in this matter than might appear and that the main objection is not found in financial considerations, I would point out that the Canadian Pacific Railway during the same period have sent some millions of bushels of grain through the port of St. John. They are not doing it for amusement; they are doing it as a matter of business.

There is a splendid opportunity for the government to bring about, by vigorous action, a very considerable improvement in our trade. The advantage of the Imperial preference which applies only to Canada, the development of trade with the West Indies, the enforcement of the provisions contained in the acts I have spoken of—these are matters which if taken up in a vigorous way by an active government will remedy many of the conditions of which we have been complaining and will bring population and produce wealth. I cannot but think that the government is showing a masterly inactivity in these matters. I cannot see that any effort is being put forward. Only through the efforts of a strong and aggressive government, determined to carry out the tasks that lie before it, will the country take that position which I believe it should ultimately reach.

Mr. C. WALLACE STEWART (Humboldt): Mr. Speaker, during the last session of this parliament various members of the group to which I adhere drew upon themselves and upon the group as a whole the adverse criticism that they were continually crying blue ruin. I have followed this debate very closely and I take it from my observations that the party to my right, the official opposition, have pre-empted to themselves rights of a similar nature for this session. I have no wish to trespass on their premises, and in order that my remarks, which otherwise might be construed to be a criticism of existing conditions, may be such as to give them a bright beginning, I am going to attempt to find some ray of sunshine in that black cloud the presence of which has been made the subject of reference by members on both sides of this House: I refer to the fact that we are losing many of our people, month by month and year by year.

It is pretty difficult, Mr. Speaker, to find any consolation in that fact, particularly when, as I understand, there have been months during the past year when we lost more people from our country than we had come into it. But I would point out for the consolation of the government that in losing these people we are losing many of those who are most discontented, and that, perhaps, is making the government of this country very much easier than it would be if those people remained here. I suggest that if those who were discontented had stayed in Canada there would have been more blue ruin talk and more calamity howling during this session than there has been in sessions in the past.

It is with the conditions that are causing people to leave this country that I am particularly concerned and regarding which I wish to speak for a short time this evening. I wish to analyze those conditions as far as I can—or some of them; I would not attempt to deal with them all—and to offer a few suggestions which in my estimation would tend to the betterment of those adverse conditions.

I have noted four things which I think may be called causes to which may be attributed a good proportion of the undesirable conditions which exist not in my constituency alone, not in western Canada alone, but in all of Canada which can be called agricultural—and I am sure that that is a very large percentage of the country. I will name the four conditions that I wish to deal with: first, the low prices prevailing for farm produce; second, the high costs of the necessities of life and the implements of production; third, transportation costs, and fourth, taxation. I am not sure that I have given them in their order of relative importance, but I do not think that matters very much; I shall discuss them in the order in which I have taken them.

I wish to place on record a few figures which, I must admit, are already on record and available to every member of this House.

I have taken them from the proceedings of the special Agricultural committee which was convened last year under the chairmanship of the hon. member for Brome (Mr. McMaster). They are enlightening, and although not strictly up to date yet I am confident that they will bear out the comparison I desire to make. First of all I will offer comparative figures for prices of grains, farm animals, and farm produce in general. Take wheat, our greatest export crop, and compare the figures of the average prices for 1913 with those of 1922, which are the years given in the table I have before me. I may say that this table was prepared by the Bureau of Statistics and was simply placed on record by the committee I have mentioned. In 1913 the average price of wheat was 67 cents—I am not sure on just what basis that price was given; in 1922 it was 85 cents, an increase of 27 per cent in those ten years. Taking oats and making the same comparison for the same years, we find the price rising from 32 to 38 cents, an increase of 18½ per cent, and for barley the increase was from 42 to 46 cents, an increase of 9½ per cent. Then, turning to farm animals and taking as an example western butcher steers on the Winnipeg market, in 1913 the average price per hundredweight was $6.37 and in 1922 it was $5.02, a decrease of 21 per cent. Taking hogs for the same years, but on the Toronto market, the increase between 1913 and 1922 would be shown as 28 per cent, but comparing the average price for 1913 with the price now being paid on that same market, a decrease is shown of 15 per cent. Take beef hides: in 1913 the average price was 14 cents and in 1922 it was 12½ cents, or a decrease of 11½ per cent. And if, Sir, we had taken either the year 1920 or 1921, for comparative purposes, with the year 1913, that decrease would have been very much greater. Taking butter, in the year, 1913, the average price was 23½ cents. In 1922, it was 31 cents, an increase of 33 per cent. Eggs show an increase of 34 per cent; and in reference to horses, which are not marketed in the usual way I have taken an extract from The Livestock News, issued by the Department of Agriculture of Saskatchewan for the month of February, 1924, which states, "The horse market is very quiet, there being a reasonable demand for good, sound, young draft horses, of from 1,400 to 1,800 pounds, at prices quoted from $100 up. Unsound, thin or undersized horses, are practically unsaleable." The whole table, as prepared by the Bureau of Statistics, is found to include practically all the produce that comes not only from the western farms, but from all the farms in Canada, and the average increase for the ten years I have cited for comparative purposes is 17 per cent. I would ask hon. members to bear that figure in mind because it has a vital relation to other figures which I shall submit. The increase in farm produce has been in the neighbourhood of 17 per cent over pre-war years. I have not quoted the extreme examples for the reason I stated when I began my remarks. But I do want to place on record what I consider an example of a condition that exists and which directly illustrates the undesirable circumstances which prevail at present among our farmers. I want to point out, however, that this is rather an extreme case. I have here a bill from the union stock yards in St. Boniface, Winnipeg, with regard to a cow that was sold there on the 19th November, 1923. Before I proceed further, let me say that I made inquiries concerning the beast in question and satisfied myself that the animal was not an exceptional one. It is true that it was not a choice beef animal, but I was assured by a score of farmers who had seen it that it was of the class of beef that is usually consumed on the farm and which, as many hon. members of this House are aware, makes a really good and substantial meal for anyone who enjoys a good farm dinner. True, this animal was sold on the wrong market; but the results are as I shall state them now. The weight of this cow was 1,140 pounds and I would point out to those who are not intimately acquainted with beef animals that any cow of this weight is not all skin and bones. The price paid in that market for this animal was 75 cents per hundred-weight, and the gross price was $8.55. From this, there had to be deducted expenses, charged up to the shipper, including freight, feed, insurance, commission, and so forth, amounting to 74.22 cents per hundredweight, making a total of $8.46. In addition to that there was another charge against the animal on account of packers' insurance of four cents, making a grand total in charges of $8.50. That meant a net return of 5 cents.

Mr. JONES: Whom was the cow sold to?

Mr. STEWART (Humboldt): It was sold in the Union stockyards. I have not the statement as to who purchased it, but it was sold in the usual way on that market.

Mr. JONES: Was it sold by the United Grain Growers?

Mr. STEWART (Humboldt): It was handled by the United Grain Growers.

Mr. MEIGHEN: They disposed of the animal?

Mr. STEWART (Humboldt): Yes; it was through the pool. I was going to refer to that, because it holds out some hope for the future. When I was interrupted I was about to say that I had in my hand, attached to the bill, the cheque which was issued on account of this animal. That cheque reads:

Pay to the order of.....five cents only.

Mr. McMASTER: Did they charge the two cent stamp to the shipper?

Mr. STEWART (Humboldt): I presume the two cent stamp on that cheque is included in the 74.22 cents per hundredweight which was charged for the whole shipment. As I said in reply to the hon. member a moment ago, this animal was in a cattle pool and no doubt, for its quality, it will return—

An hon. MEMBER: Another nickel?

Mr. STEWART (Humboldt): No; I was not going to say another nickel, but something more, to the shipper.

Mr. WHITE: Does the hon. member quote that as an average transaction?

Mr. STEWART (Humboldt): The hon. gentleman could not have been in his seat, or he did not hear me, when I stated that I did not mention it as an average example; the average figures I quoted before. I cited this as an extreme case, but it is by no means a lone example, and it has a bearing on the conditions I am discussing.

Let us now consider the second cause of these conditions, namely, the high cost of the necessities of life and of implements of production. I desire again to submit some figures and I trust I shall be pardoned for so doing; for, while I recognize that statistics are rather dry, still they are necessary in this case. The figures in reference to comparative costs of the necessaries of life and of the implements of production relate to the same years as those which I have used with reference to the products sold. These figures are also taken from a table included, with the other table, in the report of the special agricultural committee, and which was prepared by the Bureau of Statistics. The table includes all implements commonly used on western and other farms. Comparing the years 1913 and 1922, there is shown over the whole list an average increase in cost of 64 per cent. The lowest item on that table, which happens to be drag harrows, shows an increase of 32 per cent, while the highest increase, in the case of wagons, is 90 per cent. The average over the whole list, however, is, as I have stated, 64 per cent. Let me add a further word to the information given by that table, which covers up to the year 1922. It is a well known fact that in 1923, after these figures were prepared, there was a further increase of 10 per cent, and this spring, that is to say, the spring of 1924, there has been another increase of 10 per cent. So that, taking the average increase as given by that table, of 64 per cent, and adding these additional increases, I am perfectly safe in saying that the average increase in the cost of agricultural implements from 1913 up to the present time has been well over 80 per cent.

Let me take another item, namely, clothing. I will give a few items in detail taken from a table obtained from the same source and covering the same years. Underwear shows an increase of 40 per cent; mens' suits, an increase of 60 per cent; overalls, 80 per cent; mens' shirts, 100 per cent; while the average on the whole list included in that table—all of them, articles used by men, women and children on the farm—is 76 per cent. Boots are not included in that list, but the figures for the same years show an increase on working grades of 63 per cent and on finer grades of 94 per cent. Going over the list of articles commonly used by our farm folk as well as by other consumers, we find the following percentages: Furniture, an average increase of 66 per cent; kitchen and garden hardware, an average increase of 96 per cent; dishes and pottery, a very great increase, averaging 164 per cent; lumber, an average increase of 76 per cent, and on certain grades as high as 107 per cent; cement, an increase of 64 per cent; paints, including oils, an increase of 61 per cent; wire fencing, an increase of 44 per cent; groceries—this table as prepared by the Bureau of Statistics includes a long list of groceries used by the ordinary household—an average increase of 51 per cent, the greatest increase being in sugar, 91 per cent, and the lowest in vinegar, 10 per cent—the sour and the sweet of it. I did not average the whole list, and I do not know that it would be a fair comparison to make such an average, the articles being used in such varying quantities, but I again ask hon. members to recall the figure I gave for the increase in farm products, namely 17 per cent, compare it with the percentage increases I have detailed, and, then ask themselves if any one of these increases is anywhere near as low as 17 per cent. The discrepancy between this percentage and the other percentage increases ranging from 66 to 164 per cent indicates one of the real reasons why farming conditions are not satisfactory at the present time.

Now I turn to the third cause to which I have attributed some of these difficulties—transportation costs. From the addresses that have been delivered in this House I gather that transportation costs are affecting every part of the Dominion and every industry, but I think I am safe in saying that no industry is feeling the stress of high transportation costs more than the agricultural industry, particularly in western Canada where our geographical location necessitates long transportation hauls to our available markets. Railway rates are high as compared with what they were in pre-war times, when our produce was, comparatively, the same price as it is today, approximating the same value to us. I have made a few notes of transportation costs in 1913 as compared with 1923, and these figures I propose to place on Hansard. I have taken the city of Saskatoon as the shipping point, it being the centre of western Canada and the nearest city to my constituency, although not within it. First of all I will quote comparative rates per 100 pounds on grain from Saskatoon to Fort William for 1913—and I have a few of the intervening years—and 1923. In 1913 the cost was 24 cents, that being the Crowsnest pass rate; in 1920 it was increased to 38 cents; in 1921 it was reduced to 36½ cents, and further reduced in the same year to 33½ cents, on the 6th July 1922 being put back to the orginal basis of 24 cents. The figures in 1920, 1921 and 1922, had a very great bearing on the reduction of the returns for grain which would otherwise have been comparatively high. The rates from Fort William to ports in Ontario were in 1913, 20 cents per 100 pounds and in 1923, 37½ cents; to Quebec city 25 cents and 37½ cents respectively; to Montreal, then 20 cents, and at present 37½ cents; to Halifax, 32½ cents and 57 cents respectively; to the port of St. John, 30 cents and 55½ cents respectively. I give these figures in illustration of the fact that railway rates have on the whole very considerably increased and are still a burden to agriculture. I find on other products of the farm, under the headings of fresh meats, dressed poultry, packing house products, cheese, eggs, butter and lard, that the rate from Saskatoon to Toronto in carload lots was $1.68 in 1913, later reduced to $1.21, or a decrease of 28 per cent; but in less than carload lots the rate has increased from $2.50 in 1913 to $3.85½ at the present time, or 54 per cent.

Mr. McMASTER: These figures are all per 100 pounds?

Mr. STEWART (Humboldt): Yes. The figures on other articles in which we are interested and on which we have to pay freight are grouped under the headings of furniture, agricultural implements, wire fencing and binder twine. These outstanding items show the trend of the figures. The average increase from 1913 to 1923 has been 52 per cent and in no case has there been a decrease in rates. Now I come to the live stock freights on cattle, sheep and hogs, using Saskatoon to Winnipeg, this being our nearest market. In 1913 the rate was 32 cents per 100 pounds, in 1923 it was 39 cents, an increase of 21 per cent. In 1920-21, using the railway rates then in force, the increase was 62½ per cent. From Saskatoon to Montreal, for the same class of freight—the route over which our export animals have to travel—the rate in 1913 was 88 cents per 100 pounds, in 1923 it was $1.12½ cents, an increase of 27 per cent; and if I had used the rates for 1920 and 1921, for comparison, the increase would have been 66 per cent. I have given these figures to support the argument I have presented, that transportation rates are high and constitute a burden. I could go further and give transportation rates on the Great Lakes, but I am not going to further weary the House. I had seen the statement that transportation rates on the Great Lakes from 1913 to 1922 had increased as much as 400 per cent, and in order to verify that statement I obtained the figures, and I find that the statement was not at all an exaggeration. I will just give the minimum and maximum figures to back up my statement.

The average increase from 1913 to 1922 to Georgian bay ports was from 2.28 cents to 4.13 cents a bushel. The minimum was nine-tenths of one cent, and the maximum six-and-a-quarter cents a bushel, so you can see, Sir, that the statement that the rates have increased as much as 400 per cent is well below the actual figures. The figures from the head of the lakes to Montreal are also in the same proportion. In 1913 the rate was 5.35 cents a bushel, and for the year 1922 it was 10.60 cents a bushel. The minimum rate over those years was 3.59 cents and the maximum 12.63 cents a bushel. You will bear in mind, Mr. Speaker, that these are averages, and not the figures in individual cases. Had I taken individual cargoes I could have found figures that would have shown a much greater spread than the ones I have given.

I am not going to touch on ocean rates, but if I had the figures available, and they were fully traced out, I believe that they would show a similar increase in the cost of transporting our grain and live stock to our European markets.

I will turn now to the fourth cause of these troubles which I have enumerated, and that is taxation. I think it is hardly necessary, indeed, hardly wise, for me to reiterate in this House that taxation has increased greatly in the past few years. That has been stressed so much that anything I could say along that line would only detract from rather than add to the force of that statement. Various figures have been given as to what the increase has been and what the actual present per capita taxation is. Those figures have been given to us outside this House through the press, and whether they are accurate or not, at least they are agreed to by a great many authorities. The real bearing of taxation upon the problem I have under discussion is as to whether this taxation is properly and justly levied, or whether there is a discrimination in its bearing upon the interests for which I am speaking. I maintain, Sir, that the sales tax, for example, bears very heavily upon those who pursue agriculture as their calling, because they are largely consumers. If I were to again quote extreme cases which I do not wish to do, I could quote many, many cases where those who are at present engaged in agriculture are spending their whole income just as fast as it comes along in purchasing the necessities of life and the implements of agriculture with which they work. Consequently they are paying a tax, through this sales tax and various other taxes which are taxes on consumption, on every cent which they make, whether it is net or gross income. That cannot be said of all the incomes in this country at the present time, and therefore I contend that our taxation is not justly distributed.

This afternoon the hon. member for Fort William and Rainy River (Mr. Manion), referred to the suggested decrease in the duty on agricultural implements, and stated that according to his computation it amounted to only 17 cents per head, not of agriculturists only, but of all the people of this country. That makes it sound a comparatively small matter, but when you consider that not all the people of this country are agriculturists, it seems a little larger, but still not a large matter. But when you remember that the hon. member for East Lambton (Mr. Fansher), speaking from the floor of this House the other day, proved by figures which I think are indisputable that the taxes in protection amounted to as much as $10 for every $1 that found its way to the treasury of this country, and when you figure that out together with the figures given by the hon. member for Fort William and Rainy River this afternoon, you will find that it amounts to a very considerable tax upon everyone engaged in agriculture. Then compare that figure which the hon. member for Fort William and Rainy River gave this afternoon with the figures for the United States, where we have good reason to believe they have a high tariff and a very considerable revenue from customs duties. The hon. member perhaps overlooked the fact that the whole revenue in the United States from customs duties averages only a little over $4 per head of the population. Compare the revenue from our agricultural implements with that, and see if it is not a fairly high percentage to be obtained from that one particular source.

Speaking with regard to the increase of taxation, the hon. member for St. Lawrence-St. George (Mr. Marler) in his very able address the other day gave us some figures which I think are enlightening, and I am going to trespass to the extent of repeating them. He told us that the increase of revenue to the government has been 225 per cent; I do not know just what period that covers, but over the same period our increase of population was only 15 per cent, indicating a per capita increase of taxation of 190 per cent. I give these figures because they bear along the line of the other figures I have presented.

Now that I have dealt with these four causes, I am going to ask the House to bear with me while I indicate certain lines of action which in my estimation would tend to better the conditions which have resulted from these causes. I think there are three distinct lines of action which can be taken which will better these conditions. In the first place, I believe that personal endeavour on the part of those engaged in agriculture will to a considerable extent better the conditions in which they find themselves. In the second place, co-operative effort on the part of those engaged in agriculture will better these conditions. After those two, I believe that legislative reforms are necessary, and I shall, of course, because of the position in which I find myself at the present time, give greater prominence to this remedy, which is the only one under the control of this House.

I wish first to refer briefly to what can be done by personal endeavour, and I propose to show what has been done. This is no experiment, because for everything that I will mention I can give you examples of where it has been tried by farmers who are good farmers, contradictory though that may sound to one of the members from Toronto who the

other day told us we had no farmers in western Canada. I maintain that we have farmers there who have tried all these various methods which are within their personal grasp, and although the men who have tried by personal endeavour to better their conditions are the men in the best condition at the present time, nevertheless they have found that by their own efforts alone they cannot get out of the difficulties in which they find themselves immersed.

In the first place, I may say that efficiency and economic methods in the conduct of farming are necessary. A great many of our farmers are conducting their industry in a business-like and economical way. I think, too, that farm accounting is something that requires some attention. It cannot be brought about by legislation, it can only be done by personal effort, and I would refer to the effect of the income tax return on the average farmer in this regard. He has looked upon it as a burden, as an unnecessary burden, but I think, Sir, that the majority of them will find the small amount of accounting the return requires will in the end be of value to them.

Then I would also say that a compliance with marketing demands, both in quality and quantity, would help the average farmer and as an illustration of that I would quote the demands on the market for hogs at the present time. I have not the actual figures with me but I know that on the Winnipeg market last year a very small percentage of hogs was graded as selects. I am not saying that the present shortcomings can be remedied altogether by personal endeavour; I think perhaps a little change in inspection methods would also assist.

Mr. McMASTER: What would be the difference in price between selects and the next best grade?

Mr. STEWART (Humboldt): I think, Sir, the standard difference is 10 per cent. I would not make the statement positively, but I think that is what the difference amounts to.

Then I would make a plea for the practice of economy in the utilization of labour. It is a criticism that can be brought against many of our farmers that they have followed the line of least resistance in that respect rather than hewing out a line for themselves under which they could utilize expensive labour and employ it to the very best advantage. On the other hand you may remind me that there are hundreds, indeed thousands of farmers who have followed out every point that I have enjoined here and have found that it has helped, as I think it will help in all cases, but that it has not wholly solved the problem.

Another thing is the care of expensive implements. We have heard complaint made in that regard with respect to farmers and I think it is a just criticism. Another thing I would suggest in the line of personal endeavour would be to look carefully after the capital investment, to see that new investment is made in something that will be directly productive, particularly at this time when every cent must be earning another cent.

Another thing to which I attach great importance is carefulness in regard to the control of noxious weeds. I may say, Mr. Speaker, there is no one item coming under the personal control of a farmer which is more important, and which if carefully attended to gives better returns than the control of noxious weeds on the farm. Still there are a great many farmers who have taken every step possible in this respect, who have kept their farms just as clean as it is possible for them to do, and yet they find it is warfare to the bitter end with them,—that their own personal endeavours cannot entirely overcome this particular difficulty. Here I want to diverge long enough to draw the attention of the government to the fact that this is something they can help in. The Minister of Agriculture, I observe, is in his seat and I hope he will pay attention to my statements as they are addressed particularly to him at this time. There are sections in western Canada, as I know it, where noxious weeds are becoming a great menace, and in those same sections there are still areas of Crown lands that are administered by the government, some of it in fact held directly by the government. I have already mentioned that some farmers have made a very great fight against these weeds and have conquered them so far as their own farms are concerned; but they cannot go out on the Crown lands and achieve the same success there. That would be an utter impossibility at the present time so far as labour and the resulting cost is concerned; and I ask you, Sir, if it is not reasonable for them to request this government to take care of the weeds on crown lands which are under federal control. Of course those farmers know perfectly well that if the government carries out such a course they will have to pay their share of the cost of doing it, the expenditure will have to be met by a tax, but even so would it not be advisable for this government to take the necessary steps. To my personal knowledge this matter has been before the government for some considerable

time. and I would urge them to take the required steps before the problem becomes such a serious one that it can only be handled through the instrumentality of a severe tax. Therefore I urge the government to tackle this problem now and do their best to eradicate the weeds on crown lands adjacent to cultivated lands.

One other thing that personal endeavour is doing for many farmers, and they are finding it to be of great assistance to them, is specialization in some particular line or branch of their industry, and I want to quote just one incident that came to my attention in that regard. Not very long ago—to be precise less than two months ago—I was talking to two gentlemen and it was perhaps a coincidence that each of these gentlemen, engaged in farming in western Canada, has a brother sitting in this House. We were discussing the matter of the unprofitableness of farming at the present time. One of these men made the statement, and he is a farmer on a large scale, that when he had cleaned up he would have to dig into his capital, as he has had to do for two or three years, to square himself up, and yet he had had good results so far as yields were concerned. The other man farming in the same community with him made the statement—and he gave me some details later on which, I think, would adequately prove his statement—that the past year's crop was going to be the most profitable he had ever harvested in western Canada. The two men are farming within a very few miles of one another but the difference was this: The one man was farming—I was going to say wholly along wheat growing lines but that would not be correct, he does keep the average number of live stock, cattle and hogs on his farm; but the other man is a specialist in the growing of clover. It was just along the line of that specialization that he had received the big returns from his last year's crop, and I believe that farmers by specializing where the opportunity offers will obtain good returns.

Now I must hurry on to the next point and that is co-operative effort to better conditions. This is receiving very considerable attention in Canada at the present time, particularly wheat marketing in western Canada. I do not wish to say very much in regard to that, it is in an experimental stage so far, but the indications are that it will vindicate the test and that the results of wheat marketing by co-operative methods will indeed be proved within a year or two in this Dominion, just as other commodities of the farmer have been marketed successfully through co-operative methods. In the province of Saskatchewan in some instances we market our live stock through the initial stages co-operatively. In my own experience we organized a co-operative stock shipping association some ten or twelve years ago. In so far as hogs are concerned, the prices were not very high at that time, but our returns for hogs through shipping co-operatively increased about 33 1/3 per cent immediately over the price we had previously been receiving. As to cattle the returns were not so obvious but they were very satisfactory, and to this extent, that in the district where that stock shipping was organized, for two years after the system was inaugurated no drover shipped a car of stock from that point; the shipments of cattle and hogs were all made co-operatively.

I also wish to mention the co-operative marketing of dairy products. In the province of Saskatchewan we have found that to be a very great success indeed. Although a moment ago I drew the attention of the minister to the need for further activity on his part I would, just at this stage, give him due credit for the part he took in encouraging that system of co-operation in the marketing of dairy products, particularly cream and butter. There can be further co-operation. It has already been proved that co-operation is, to some extent, successful in the purchasing of commodities that are used in large quantities such as binder-twine, building materials and fencing. I am not going to enter into that. I simply mention it as one of the things that has been tried and proved successful as a relief for conditions such as now exist. Then further, co-operation in a community can sometimes be made very valuable and labour-saving can be effected by co-operative efforts, particularly in the matter of the threshing of our grain crop. I think that this is one thing that requires the attention of the farmers themselves, and that efforts should be made along that line.

I come now to the third point, and the one which I wish to stress most in this House, because here we have an opportunity of taking steps along the lines that I indicate; that is, legislative reforms. First of all, I have placed the need of the reduction of federal taxation by the practice of economy in administration. With that simple statement, I think I have lined myself up with the great majority of the members in this House, and I am going to add nothing further at this time. Following that I would suggest an adjustment of the burden of taxation, so that the burden will not fall so heavily on the consumer; and in

conjunction with that the adoption of direct methods of taxation. I know that we have many of them at the present time. I favour the adoption of direct methods, so that it will be more clearly indicated who pays the taxes. If I may be pardoned again for diverging from the subject in hand, I cannot help reading an editorial comment from a journal—I suppose it is a very reputable journal—published in Montreal, called the Montreal Pharmaceutical Journal. It is the last issue which I received February, 1924. In this journal a very misleading statement is published, and I am going to offer it to members of this House as something that will not get us anywhere, and something that we should discourage. We should face the facts, and these are not facts—at least they are not all facts. Some of the premises are perhaps facts. This article says—

> Again we reiterate the statement that we are in Canada improperly taxed; that the taxation and various schemes of levy in effect are not alone onerous but depressing and destructive of energy and enterprise.

I think I could agree with that.

> All the revenue required can be derived from a properly constructed customs tariff.

I think hon. members to my right can go that far, but I cannot.

> Taxation levied through that channel applies to all—each and everyone living in the country would become a contributor—whereas to-day there is current to a certain extent a class taxation that is manifestly unfair.

But it does not specify.

> The farmers escape altogether.

I draw the attention of hon. members to that statement.

> Whereas they would be just as happy if they were contributing moderately under the effect of meeting figures for their daily requirements that would constitute this contribution and practically without their being aware of it.

The editor holds that up as an ideal system of taxation. I, Sir, condemn it as being the worst system of taxation we could possibly have, and the sooner we get away from it the better for all.

The third suggestion that I am making in the way of legislative reforms would be the removal of the tariff from the necessaries of life and from the implements of production, as a means of lowering the cost of living. I have already made certain comments along that line and will not further comment.

I have another thing which is not exactly legislation, but which would require legislation if it could be effected. I appeal to the government to keep before them the need for constant endeavour to secure free entry for our goods to our natural market, namely the market of the great republic to the south of us.

Then there should be a thorough investigation of transportation costs, with a view to legislation where necessary to reduce them to a possible minimun. So far as our railways are concerned, I do not suppose that, with our National Railway piling up a deficit year after year, we are likely to get much sympathy in our requests for reductions of rates, but it has already been intimated to the government, not only this session but in past sessions as well, that a revaluation of the capitalization of our Canadian National Railways might place them in a much better situation. I am inclined to believe that it would be proper to proceed along that line. So far as controlling lake transportation is concerned, I would suggest that the government take whatever steps are necessary to prevent a fiasco such as we witnessed last year occurring in the future, and I cannot see any reason in the world why, with a merchant marine at their command, they cannot offer as much competition to those unruly lake carriers as the situation calls for. Speaking of the merchant marine, I think that they could, if they so desired, use it to some extent at least to help us control the ocean transportation costs on our export live stock at least.

There is another suggestion along this same line. I suggest that the grain trade requires even more careful regulation than it has received up to the present time. I would suggest that attention be given to the grading of our grain—that is our wheat—based on its milling values, rather than on the basis which is now used, and also that a further investigation should be made as to the effect of mixing in our terminal elevators on our ultimate market for grain. Then I would suggest, along a different line, that we should proceed with our investigation which was begun last year to try and find a system for providing long term and intermediate term credits. I am not going to enlarge upon it. I would simply point it out. It is one of the things which I consider would render a considerable amount of relief to those suffering under adverse circumstances.

Lastly, I would suggest to the government that new or increased transportation facilities would to a certain extent relieve the difficulties that we suffer under at the present time. There are, Sir, three projects before this House at the present time for consideration; the St. Lawrence deep waterway project, the Pacific route for our grain and the Hudson Bay route.

At this particular time I do not intend to debate the relative value of those routes. I simply suggest to the government that they should investigate very thoroughly the possibilities of those routes, and, before I make any further statement, may I say that the Hudson Bay route cannot be properly investigated until the road is completed to the bay, and I think it is only a fair and just demand of all the agriculturists who are living in western Canada, and who are interested in that route, that the railway be completed to the bay. Then having placed that route on a fair footing with the other routes I think the government should investigate all of them and should develop those that show they would return an adequate interest on the investment made in them. I have made these suggestions, Mr. Speaker, in the hope that I might draw attention to some of the causes of and some of the remedies for the conditions under which agriculture suffers. I have already apologized to the House for the many figures I have imposed upon it, and I trust I will be forgiven for trespassing at such length upon the time of the House.

Mr. A. E. ROSS (Kingston): Mr. Speaker, last session that great Nestor of debate, the Minister of Finance (Mr. Fielding) whose presence we miss so much this year, was able to say, in the Coué spirit, "Things are getting better and better every day." To-day if he were in this House; if he had shared in the responsibility for the introduction of the Address and had listened to the debate so far, I think he would say, "Things are getting gloomier and gloomier all the time." After listening to all the suggestions that have been thrown out as a solution of the desperate condition of this country at the present time we are very much surprised at the tit-bit that was accepted and swallowed by the leader of the Progressive party (Mr. Forke) when the Address was given and the speech of the Prime Minister (Mr. Mackenzie King) was made. In fact, Sir, I never before saw so few oats send the old horse's tail up.

To come to a discussion of the Address, one must condsider the premises given there, the deductions drawn from it and the discussions which have followed. The premise adopted by the government was that of rosy conditions and a prosperous country. To prove their premise and their statement they produced a new member, the hon. member for Cape Breton North (Mr. Kelly), and I would like the House to note at this time his statement in moving the motion. He said:

> I wish to congratulate the people of Canada on having in power a government which has already restored public confidence to such a degree that business conditions have already improved.

There is not a cheer from the government side about this alleged rosy condition of the country. Mr. Speaker, if there is a colour lacking in this bright garment of the government's address, I would commend to them this artist from Cape Breton, because there they will find a fruitful imagination with the possibility of producting almost any desired shade.

Now, Sir, that is his description of this government and the prevailing conditions. Let us follow him on for a few minutes. He says:

> In the province from which I come the coal industry may be termed one of the most important. To-day that industry is in a state of chaos.

Had he spoken about the fishing industry he would have used similar language, and even if he had referred to that other great industry in the Maritime provinces, the deep sea fishing sailboat contest, he would have had no brighter picture to paint than he had in describing the coal industry.

Now, still further to prove this premise of rosy conditions and a prosperous country, we have the speech of the leader of the Progressives (Mr. Forke), and these are his words:

> Unfortunately, however, this prosperity is in some respects sectional. . . I am sorry to say that agriculture, the basic industry of the country, is not in a satisfactory condition.

To prove further the rosy condition of this country let us look at the speech of the hon. member for Winnipeg (Mr. Woodsworth). These are a few of his statements:

> The burden of overhead charges, which is crippling industry and commerce—the deplorable condition of agriculture—unemployment;—the instability of our banks.

If there is anything else he left unmentioned, I would like to know what it is—coal, fishing, agriculture, commerce, transportation, all in the most unsatisfactory condition; and yet the premise of the Speech from the Throne points to us rosy conditions and a prosperous country. But rather, I would say, instead of rosy conditions the statements which have been made are sufficient to indicate a condition of stagnation or retrogression. Repeatedly it has been stated that our population has been decreasing. Emigration has increased from 6,000 up to 15,000 or 16,000 a month. The fisheries in Nova Scotia, through decreased population, have lost about 20 per cent of their strength, and in New Brunswick and Quebec the loss has been about 40 per cent. Taking the population of the large towns which are centres of industry in Ontario, we find that 56 towns in that province show a decrease and only

about 13 show an increase, varying from 20 to 100. Take the city of Brantford, one of Ontario's best industrial centres: when this government came into power they found a population in that city of about 31,362. The next year it had decreased to 30,100; to-day it is about 29,000, and if the policy announced by the government prevails, Brantford may be wiped off the map.

The Prime Minister, in referring to this emigration, said that certain officials had been placed—he did not say where or how—and that they had reported that emigrants were returning from the United States. Now, I would like to know where those officials were. I am informed that those who went to the other side from this country were inspected before they went into the factories; if they were found physically fit they were kept, but if they were found physically unfit they were sent back to Canada, and in all likelihood these are the men who, the Prime Minister's officers report are not being lost to Canada. In other words, they are being returned here physically unfit.

The next point made in the Speech from the Throne is this:

> My ministers are strongly of the opinion that reduction of taxation is of first importance, and to this end the efforts already put forth to combine strict economy in the administration of the public services with rigorous retrenchment in public expenditures should be furthered in as many directions as may possible.

You would think, Sir, that this policy had been initiated by the government, whereas the fact is that they have been absolutely driven to it. The reports from all over Canada, in the press and otherwise, have forced them to it. Moreover, in every bank report during 1923 the presidents and general managers have directed attention to this matter. For instance, the president of the Royal Bank points out distinctly that retrenchment is called for and urges an adherence to the policy of spending only on real necessities. The president of the Union Bank, Mr. W. R. Allan, in his report on our troubles, says:

> They are due to two things: first, an excess of restrictive and ill-considered legislation; and secondly, few, if any, pay sufficient attention to those virtues of economy and thrift which were characteristic of our forbears.

Now, the government having been forced to refer to this matter in the Speech, I fear their methods of economy. We have already had laid down by the government a policy of retrenchment in connection with the permanent force of militia in this country. What was that policy? As many men of the permanent force as they dismissed they replaced by civilians. This is the method of economy adopted by the government. They replace permanent men, with experience and training, by civilians with short service. I understand that the same thing is likely to occur in the Civil Service. The government say that these methods must be carried further. What have they done in the way of reducing taxation? The government came into power with a sales tax which brought into the treasury of the country $38,000,000. The first year of their administration they increased it so that there was returned to the treasury some $61,000,000 from the consumers. Last year they economized still further; they reduced taxation to a greater degree, with the result that there was brought into the treasury from the consumers the sum of $94,000,000. Now, if this system of reducing taxation is to be furthered, where will the consumers of this country land, or what dependence will anyone be able to place on promises of the government? In the face of all this, there is nothing but doubt as to the future. All along the line there is a lack of confidence. And what is the cause of this want of confidence which is being echoed in every paper throughout the land almost without reference to politics? What is being ascribed throughout the country as the cause of this condition? The simple explanation is that to-day we have an unstable government; we have what was described this afternoon as a wobbling and insincere government. In proof of that assertion, one need only point to certain things which have taken place in the past. Let me mention three or four examples of the wobbling and the insincerity of the government. A short time ago, with a great deal of éclat, the government announced that the flag had been hoisted on Wrangel island and that it would stay there. Where is it to-day, and by whose order? Take another case. During the last summer we were told that a commission or court went up to Herschel island to try two Eskimos. They went accompanied by a hangman who took the lumber to make the gallows. They were going to try these men, and in order to make sure that they would finish the job, they took the necessary appurtenances with them. A section of the public objected and a statement came from the government in reference to the matter; a messenger was despatched to stop proceedings and a few weeks after another messenger was sent out with word to let things take their course; and just a few days ago we learned that the Eskimos had been hanged. Let us take another illustration,—the Great Lakes Act. This is a very important matter, because for some time members on the government side had repeatedly

informed us that they were going to deal with combines. Well, one combine was brought distinctly to their attention,—that in regard to freight rates on the Great Lakes. The government undertook to deal with the situation. Representatives of the steamships came to Ottawa, and you can imagine how they would be received by the Minister of Labour (Mr. Murdock), who was going to put an end to combines. Here was one now that was within his power. The combines had been told that they would have to eat crow, because the government would deal very stringently with them. What happened? They passed the act relating to inland water freight rates, section 3 of which reads:

Any carrier by water, operating between Port Arthur or Fort William and any other port in Canada or the United States, must within thirty days of the passing of this act, and before entering into any contract to carry grain, file with the Board of Grain Commissioners a tariff of the charges proposed to be made. If any existing tariff is to be changed, notice of the change with all particulars must be filed with the board.

The penalty for any neglect in this regard or in the case of charges being made higher than those specified is to be not more than $2,000 nor less than $500, or six months' imprisonment. Section 4 of the act provides that that board shall keep a tariff and call for information upon anyone connected with the grain trade, and a penalty is provided not exceeding $1,000 nor less than $200, or three months' imprisonment. Now, the movement of our great wheat crop from the West requires not only all Canadian bottoms, but United States ships as well. This law was enacted without consultation with those people who are acquainted with the traffic, and as a result the United States carriers refused the right of this government to control rates, just as strenuously as they resented the attempted control on the part of their own Interstate Commerce Commission. Here was a combine, and here was the government's method of dealing with it. The Minister of Labour had the instrument ready to put them out of business; the government was going to make them eat crow. But they refused to put their ships in the trade for the transportation of Canadian wheat, and the opposition growing, the government sent Mr. Boyd, the chairman of the Board of Grain Commissioners, to Winnipeg to consider these complaints and to arrange co-operation. The result of these negotiations was to have one of the Winnipeg brokers wire asking the United States shipowners whether they would enter the trade if the government allowed them largely to ignore the law. Can you imagine anything so ridiculous? Has any Canadian government in the past put itself in such a position as to be obliged to go to the people of the United States and ask them to ignore a law which had been enacted in this parliament? Listen to the reply:

Your message conveys suggestion managers at Cleveland commit themselves to violation or evasion of Canadian law.

Here are the combinesters.

Cleveland owners will not knowingly violate or evade any law. You and other Winnipeg brokers are familiar with the fact that Cleveland managers do not care to discuss laws of Canada which have already been enacted. So far owners have shown no disposition to take Canadian grain when we have negotiated future charters.

I should like hon. members to keep in mind that we are now approaching the time when the burden of transporting this great wheat crop would be thrown upon the carriers of the Great Lakes. The next week, August 8 to 14, saw all sorts of government declarations about the carrying of this grain—the law would be enforced, ships were going to carry it, and so on. August 14 found Mr. Boyd in Cleveland trying to persuade United States ship owners to come to our assistance and evade the law. A Cleveland press despatch of August 15, stated that at a conference the United States ship owners decided not to enter the Canadian grain trade under the terms of the act, and a message to the Board of Grain Commissioners for Canada, contained these words:

Informal meeting held to-day and for reason that our ships operate as private carriers, engaged in the competitive business of transporting ore, coal and stone, with occasional grain cargoes, the prevailing opinion is that the action of the Dominion parliament has removed your grain from the class of competitive business subject to free and open competition, which is the only character of business in which the lake bulk freighters of United States registry have heretofore engaged. Under existing conditions the managers do not feel they can comply with the new law, and of course will not operate in violation of it.

Those are the members of this combine which was oppressing Canada, and they are pleaded with to come to our assistance to offset this ill-conceived legislation. The government succeeded in putting the whole trade in a chaotic condition, and, with the exception of a few independent vessel owners, the United States shipping firms refused to come to our assistance when this law, fathered by the government, was found to be impracticable and unworkable. This law was characteristic of much of the legislation passed by the government last session, and it put our trade and commerce in a chaotic condition. The result is that to-day 57,000,000 bushels of our grain are lying in storage at the head of the lakes, every point of storage is crammed, and the railroads are refusing orders east-

ward. Consequently a lot of our western grain has been exported this summer via Vancouver, and is still going in that direction. Yet the Prime Minister in this House took to himself the credit of sending so much grain by way of that port! To my mind the change is mainly due to this foolish and impracticable legislation.

Now, Sir, another case of wobbling producing chaotic conditions in this country is the attitude of the government in regard to immigration. A year ago the then Minister of Immigration (Mr. Stewart) declared that he had a splendid policy, but I never heard any minister receive such a pummelling as that hon. gentleman received from his own supporters last session when he outlined his policy. This year we were to have another splendid policy of immigration. What does it amount to? Nothing.

What is to be done? The Progressives have come forward with some policies, among others a proposal to complete the Hudson Bay route. The last speaker (Mr. Stewart) and other hon. members have advocated the completion of the road in order to see whether this is a possible route for the export of western grain. I think we have had a little too much of this expenditure of the public money on experimental projects. Before construction is resumed we should have a definite statement respecting the actual conditions. One of the points made by the leader of the Progressive party (Mr. Forke) was that surely it was a feasible route because the Hudson's Bay Company had used it for some three hundred years. If he would study the history of the Hudson's Bay Company he would find that they did for a period of a hundred and fifty years use the route, but on an average they employed only three small boats in charge of very experienced master mariners, and only from the end of June to the beginning of October. That was the extent of the navigation. If we are to spend any more money on this railway we should have some stronger recommendation than the practice of the Hudson's Bay Company. However, the subject will come up later in the session when we shall have an opportunity to discuss it at length.

The Progressives complain of the lack of interest shown by the East in the West. Now, Sir, the history of this country proves that the opposite is nearer the truth. The East has never shown a lack of interest in the West; in fact there would never have been a West to-day had it not been for the sacrifice made by eastern Canada. The Hudson's Bay Company did bring out a few settlers, and through the efforts of the Earl of Selkirk a small colony was planted in Manitoba. But from the time confederation was under consideration eastern Canada became interested in the condition of these settlers and advanced all the money which was paid over to the Hudson's Bay Company for the relinquishment of their charter rights. Then the question was raised of how to bring the western settlers into touch with eastern Canada and ocean transportation. At that time the trend of trade was all from the central provinces to the Atlantic ocean, and so proposals were discussed and adopted by the then sparsely settled East in the interests of the West.

In 1874 Alexander Mackenzie, leading the Liberal government of that day proposed to connect the West from the Rocky mountains to the head of the Great Lakes by a canal system. Fortunately that foolish programme never was gone on with; but if there had been some Progressives in parliament at that time they would have supported it and said: Let us build it and see what it can do—just the same as they do to-day in regard to the Hudson Bay railway. In the 80's the proposal came from Sir John A. Macdonald to construct a railway, and the Canadian Pacific railway took shape. The subsidies given to that railway consisted of 25,000,000 acres of land. I suppose the Progressives might say: That land was ours; it belonged to the West. But again let me remind them that it was the money of eastern Canada which purchased that land from the Hudson's Bay Company, and all that was at stake was put up by the people of eastern Canada. Cash aid was also given the Canadian Pacific Railway to the amount of $35,000,000.

In 1903 there was started from Winnipeg the building of what later became the Canadian Northern railway. In 1903 this government guaranteed £1,900,000, at 3 per cent, for fifty years to build a road from Gilbert Plains to Edmonton, a distance of 620 miles, and the Prince Albert branch, of 100 miles, at a cost of $13,000 a mile. In 1908 a further guarantee was given to the same road of £1,622,000, at 3½ per cent, for fifty years. This was to aid in the building of roads from Regina to the Manitoba border, a distance of 152 miles, from Saskatoon to Calgary, 175 miles, from Prince Albert to Battleford, 132 miles, from Manitoba to Rosthern, 100 miles, and the Rossburn line of 50 miles—in all some 4,500 miles of railway, at a cost of about $13,000 a mile.

In 1911 a further guarantee was given to this road of £7,490,000, at 3½ per cent, for another fifty years, and in 1910, a further guarantee of £647,000, at 3½ per cent, was made for the Canadian Northern Alberta railway. In 1912

a further guarantee was given to the Canadian Northern Alberta railway for the construction of 115 miles to the Yellowhead pass, at a cost of $35,000 a mile, or $4,025,000.

These were guarantees by the then Dominion of Canada, with the burden altogether resting on the people of eastern Canada, and they were given to provide some kind of transportation facilities for the settlers of the West, to open up the West for immigration, and to provide means for the settlers getting their produce to market. In addition to that, and in further support of this road in getting an eastern terminus, Ontario gave it land grants amounting to $10,000,000, bonds amounting to $7,860,000 and subsidies amounting to $2,000,000. The province of Quebec also gave it land grants amounting to $3,000,000, and subsidies amounting to $3,413,000.

Coming down to 1903, the Grand Trunk Pacific Act was introduced by Sir Wilfrid Laurier in that year, and the aim was to provide a competitive line so that there would not be any monopoly of railroads in this country, but rather competition in rates from the West. Canada was to support that road to the extent of $45,000,000, and a further grant of $20,000,000 towards the first equipment. The government was to guarantee the bonds of the Grand Trunk Pacific for the construction of the western section to the extent of—remember this— 75 per cent of the cost of construction. Notwithstanding the fact that all this was generosity on the part of eastern Canada, indicating the interest the people of the East had in the development of the West, there was the other 25 per cent to be accounted for. The older members of the House, especially the present Minister of Railways (Mr. Graham) know well that that other 25 per cent for the remainder of the construction was placed upon the old Grand Trunk, and as the old Grand Trunk only ran through eastern Canada that burden fell largely on the people of eastern Canada.

Now what was all this money guaranteed to the people of the West for? Did it indicate, or does it indicate, any lack of interest on the part of the East in the development of the West? In the words of Sir Wilfrid Laurier in introducing the bill, it was the desire of eastern Canada to develop the West, to attend to the needs and requirements of that fast growing country. He said:

> It is not of to-morrow but of to-day, of this hour and of this minute. Heaven grant it be not already too late. Heaven grant that whilst we tarry or dispute, the trade of Canada is not diverted to other channels.

All these future debts went to aid the farmers of the West in transporting their products to market, to carry settlers to the West, and to aid in the development of the great West. Yet we hear that this eastern portion of this great Dominion is lacking in interest in the needs of the West. After the figures I have given, and in view also of the relief that we are giving the West at the present time, I do not think that charge can be supported.

Just a few words in conclusion as to the policy that is advocated in this House by the West. We have the policy of the Liberal government in power to-day. If the policy on which the government is acting to-day is continued, how will it affect the agriculturists of this country? If Canadian citizens are leaving this country at the rate of fifteen or sixteen thousand a month, what will that mean to the agriculturists of this country? The ordinary labourer on the land can gather up his small effects, pull up stakes, and leave the country with his family at little cost to himself. The skilled artisan in this country can at very little cost pull up stakes, cross the border and leave us with a lessened population. But what position is the agriculturist in if he stays here and sees our population steadily decreasing? Let us suppose for a minute that it does decrease, and goes on decreasing; what is the prospect for us, and I would like to draw the attention of the agriculturist to this fact. If our population continues to decrease where will the money come from to pay the debt of this country? It must be laid upon the agriculturist who has to remain in the country. One part of this country cannot suffer without all parts suffering. We believe that the policy we have to-day, and the policy which leads us to bring forward this amendment to the Address, speaks to the agriculturist in this way: The debt of this country is very large and under the present government it is increasing, increasing in two years by nearly $100,000,000.

The labouring men are leaving the Dominion, and consequently greater taxation must fall on the agriculturist. We propose to overcome that by the application of protection to all parts of this country. In past years it used to be thought that only the manufacturing industries benefited by protection, but the operations of our commerce, as shown by the figures quoted by different speakers during the present debate, indicate that agricultural industries are suffering just as much as manufacturing industries, and that the former require protection just as much as the latter. Hence we say that the only policy that can relieve this country from the deepening gloom of which many hon. gentlemen have made mention, and which the newspapers have dilated

upon, is a policy of protection, not only to the manufacturer but to the agriculturist.

And what do we ask in addition? We ask the government to stop what I would call "the mad dog" policy which it is pursuing at the present time. The newspapers of the country, the bankers and other personages urge upon them retrenchment. "Yes," the government said "we will retrench. We will begin with the Auditor General. We will retrench his salary from $6,000 to $15,000. We will place that official in charge of the rest of the retrenchments. We will place him in charge of putting out the little fish, of throwing out the little fellow, with a salary of $1,000 a year. This is the man who is to be thrown out and the man with an increase of $9,000 a year is to have charge of the work." Not only that but I understand an order has gone out to the deputy ministers to retrench, to cut 25 per cent off their estimates, to cut 25 per cent off here and there. It is, as I said before, a mad dog policy. The government are biting here and biting there; they have no order or system whatever in regard to their retrenchments.

We also ask the government to lessen the income tax. We do not say that the income tax should be abolished in its entirety, but we have gone so far in this method of taxation to-day that people are afraid to go any further in the direction of developing industry. They are afraid to put their money into any work that will give employment to others in this country. If we do nothing else we can surely lessen the income tax of those who are producing work, who are carrying out development in this country to some extent, and give them some relief so that the money now being taken from them will be placed back in industry and help to further develop the industrial life of the country.

We also say to the government: Spend less money on undesirable and inexcusable immigration policies. It is a sad state of affairs to-day that people are being brought out to Canada when there is no work for them. I am not speaking now of the harvesters who were induced to come to Canada, but a few weeks ago it was my experience to meet six of the finest Scottish lads I ever saw. They had been brought out to Canada by a notice in the paper saying that there was work to be found in this country. They had put up all the money they had to reach the Dominion only to find that conditions here were just about as bad as they were in the Old Country. It is possible that some of the people brought here have been provided with employment, but how many of them have only swollen the ranks of the unemployed by coming to Canada.

Now, Sir, I have spoken of this administration as a wobbling government, a vacillating government. Many parts of Canada are awaiting an answer as to what the government intend to do in regard to certain issues. There is, for example, a demand for the deepening of the St. Lawrence, for the completion of the Welland canal, for the selection of a terminal for the Great Lakes development. If the present policy of the government continues there will be no necessity for them to act more speedily than they are now doing. There will be no industries to demand the electrical current which the province of Ontario expects to obtain from the St. Lawrence waterway development. There will be no need for any further increase of electrical power in the Welland canal district. In cities like Brantford industries will perhaps close, the wheels of the mills there will no longer be grinding and turning. Even now the outlook is by no means so rosy as the Speech from the Throne declares. But there is one thing we do expect, unless the government take so long to consider their policy that the people in their anger will rise and cast them out, and that is that some day they will give an answer to the various great questions which are being pressed upon them by the people of Canada.

On motion of Mr. Speakman the debate was adjourned.

ADJOURNMENT—WEDNESDAY SITTING.

Hon. GEORGE P. GRAHAM (Acting Prime Minister) moved that when the House adjourns it stand adjourned until three o'clock to-morrow afternoon.

Motion agreed to.

On motion of Mr. Graham the House adjourned at 10.30 p.m.

Wednesday, March 12, 1924

The House met at three o'clock.

CRIMINAL CODE AMENDMENT—SCRIP

Mr. D. M. KENNEDY (West Edmonton) moved for leave to introduce Bill No. 5, to amend the Criminal Code.

He said: This bill seeks to repeal section 20 of chapter 25 of the Statutes of 1921. An explanatory note with regard to section 20

says: The effect of the above section amending the Criminal Code was that no prosecution for an offence against the code, or action for penalties or forefeiture, should be commenced after the expiration of three years from the time of its commission if such offence related to or arose out of the location of land which was paid for in whole or in part by scrip or was granted upon certificates issued to half-breeds in connection with the extinguishment of Indian title.

Motion agreed to and bill read the first time.

YUKON QUARTZ MINING BILL

Mr. GEORGE BLACK (Yukon) moved for leave to introduce Bill No. 6, respecting Quartz Mining in the Yukon Territory.

He said: The object of the bill is to consolidate in an act of parliament various regulations. At present these regulations are contained in a large number of orders in council. The proposed act entails no radical change in the law or the system of administration. Its object is to settle the law and put it on a sound and intelligible basis.

Motion agreed to and bill read the first time.

INDUSTRIAL DISPUTES INVESTIGATION ACT, 1907, AMENDMENT.

Hon. JAMES MURDOCK (Minister of Labour) moved for leave to introduce Bill No. 7, to amend the Industrial Disputes Investigation Act, 1907.

He said: The amendments to the Industrial Disputes Investigation Act here proposed, in sections 15, 57 and 58, do not introduce any new features into the present statute, but are intended simply to make clear at one or two points what has been regarded, since the passing of the act, as the obvious intention of these particular sections.

Mr. CHURCH: Will this bill interfere with litigation now before the Privy Council?

Mr. MURDOCK: Not at all, I would think.

Motion agreed to and bill read the first time.

CARILLON POWER DEVELOPMENT

On the Orders of the Day:

Mr. E. C. ST. PERE (Hochelaga): May I ask the Minister of Railways if any correspondence has been exchanged between the government and the National Hydro-Electric Company regarding power development at Carillon? If the answer is in the affirmative, what is the attitude of the government with regard to the demands made by such company?

Hon. G. P. GRAHAM (Acting Prime Minister): I am not sure as to the name of the company, but in 1910 or 1911 a lease was given for a small development of the Carillon power. In 1921 that lease was renewed with very much extended powers providing for a very considerable development. An application has been made for a still further extension of the powers contained in that lease, and the Department of Railways, through its chief engineer, is now studying just what the application means.

PROTECTION OF FORESTS

On the Orders of the Day:

Mr. PIUS MICHAUD (Restigouche and Madawaska): I should like to ask the Minister of the Interior if the government has received from any provincial government, since the beginning of the year, an application to assist in protecting its forests from fire or insects?

Hon. CHARLES STEWART (Minister of the Interior): No, we received no demand, but there has been considerable discussion about co-operative action.

REFUND TO IMMIGRANTS

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I observe in the press an intimation that the government's immigration efforts, or a part of them, consist in paying $15 to certain classes of immigrants on arrival in Canada. Is that the money of the country, or is that money that is being virtually refunded by the steamship companies?

Hon. J. A. ROBB (Minister of Immigration and Colonization): It is not the money of the government. We have effected an arrangement with the transatlantic steamers whereby they give a rebate of twenty per cent of the passage money. That would mean $15 on a $75 ticket, and a proportionate amount on a half-fare ticket. The immigrant pays his full fare at the point of embarkation, and when he reaches Quebec or Montreal, or St. John, New Brunswick or any Canadian point, the steamship companies themselves, from their own funds, refund the twenty per cent; this being conditional, may I add, upon the immigrant declaring that it is his intention to settle in Canada.

Mr. MEIGHEN: What steamship companies have been good enough to do this?

Mr. ROBB: I had a conference with all the steamship companies;—I think they are all doing it—all the steamship companies operating. This arrangement applies to immigrants from the United Kingdom only.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

Consideration of the motion of Mr. Kelly for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed amendment thereto of Mr. Sutherland, resumed from Tuesday, March 11.

Mr. ALFRED SPEAKMAN (Red Deer): Mr. Speaker, in discussing the question now before the House, the Speech from the Throne and the implications contained therein, it is perhaps inevitable that we must all approach it from what might be called a local point of view, to some extent at least. This is perhaps inevitable, for we are all influenced by our home surroundings; we are more completely conversant with the circumstances in our own districts; and we are all primarily representing the opinions and the viewpoints of the voters in our own constituencies. I am encouraged, however, by this fact: That that point of view is not peculiar to myself and it is not peculiar to the members in this corner of the House, it is a point of view which is shared and expressed by practically every member of this House who speaks. The hon. member for St. Lawrence-St. George (Mr. Marler) frankly proclaimed that he expressed the sentiments of the city of Montreal. The members from Toronto speak with an atmosphere decidedly Torontonian. The members from the Maritime provinces, from the central provinces, and from British Columbia, each expressed to the House the opinions of the people of those provinces, the views and circumstances of their own people. And perhaps that is not to be deplored; for when we come here to endeavour to lay before the House suggestions, to endeavour to bring forward a national policy which will fit, and which will develop all parts of Canada, it is necessary that we should understand the problems applying to all parts of Canada; and as each man speaks and presents the viewpoint of his own part of the country, we are able to gather together the fragmentary portions from which we can make a composite picture of our country as a whole, and that is I think to be desired. But I think it is also the fact, Mr. Speaker, that, while speaking from our own viewpoint we should at least attempt to approach our subject from a national viewpoint also, because, after all, every man and woman of average intelligence recognizes this great outstanding fact, that in the present age at least we are not living isolated lives, separate and apart from the lives led by men of other occupations in other regions, or indeed in other countries. Occupationally, and regionally we are interdependent, and all our problems are to a large extent co-related; and so it comes to pass that a selfish and narrow policy will react upon the people or upon the section who propose or who carry into effect such a policy. No gain is to be derived eventually to any part of this country, or indeed I think I can say to any part of the world, which is a definite loss and disadvantage for other people, for this reason: Taking it from our point of view as farmers, we know we can only prosper as other people from other occupations in this and other parts of the world are able to buy our goods and pay a reasonable price for them, which means that we can only prosper in proportion as the rest of this country and as the rest of the world prospers. We have had a very evident illustration of this fact during the last years when the unfortunate disorganization, the tremendous depression which has taken place in industrial Europe, has been reflected so accurately, so inevitably upon our own conditions here; showing that through the improvement in transportation, and the improvement in means of communication we are all now part of one great world society, whether we desire to recognize the fact or whether we do not.

In discussing the Speech itself, the first statement made is worthy of great consideration. I refer to the part in which it is stated that this country is gradually emerging from the slough of despond in which we have been plunged, and is attaining a comparative degree of prosperity. It is a consummation devoutly to be wished and to be hoped for, and to the extent to which it is true it is a consummation on which this country may very well congratulate itself. In regard to national prosperity, apparently there are some signs of such condition. It is shown in the increase in our trade, both export and import, particularly export. It is shown in the improving of the condition of our national railways. It is shown in the increase in our national revenue. It is forecasted in the statement that we shall probably have a balanced bud-

get. All these things are pleasant to us, and are subjects in which we may agree. The question however is, upon analysis, how far this apparent national prosperity is reflected in private business and in our individual lives, and when we turn to that aspect of affairs I am afraid the picture is not so pleasant. Speaking for the occupation in which I am most interested, and which I understand most thoroughly, we know here that agriculture is not sharing at the present time in that prosperity. I do not propose to dwell upon that fact. The facts have been laid before this House clearly and well time and time again. The hon. member for Humboldt (Mr. Stewart) yesterday in a most excellent speech laid the facts before us in a manner with which I shall not attempt to compete. The facts may be taken for granted. But are they any better in other occupations and in other parts of Canada? Judging by the reports which we see in the press, and judging from communications from manufacturing concerns with which every member of the House is being deluged, and judging by the statements emanating from different parts of the House, from gentlemen representing these occupations and districts, we must inevitably come to the conclusion that the depression which commenced with agriculture is now finding its way to our industrial centres, and, with very few exceptions, no business in the country is prospering now as it should prosper.

It is interesting to consider why such a state of affairs should exist now in a country which is universally acknowledged to be naturally so rich and so promising a country.

But before I touch on that, before I offer any suggestions of any kind I should like, with your permission, to make a few comments upon the address delivered yesterday by the eloquent member for Fort William and Rainy River (Mr. Manion). We in this corner of the House are accustomed to look forward with pleasure and to listen with interest to what he has to say. He has impressed us on former occasions as being a man who, while holding his own views, is willing to speak without partisan bitterness, who is willing to give utterance to his opinions without reflecting upon other people, to give us facts which are accurate, to give us logic which will stand analysis. But I must frankly confess that in the address delivered yesterday we were disappointed. We did not find in that address, however eloquent it was, to any great extent those qualities which we are accustomed to look for in the remarks which come from that quarter. Facts were given, the accuracy of which might well be doubted; deductions were drawn which, to my mind at least, were hardly logical, and conclusions were arrived at which, in my opinion at any rate, were somewhat fallacious.

As to that part of his address which dealt with the shortcomings of the present government, their sins of omission and commission, their broken promises, their wobbling policies, I shall not deal. It is no part of my place here to defend the present occupants of the government benches. I leave that to them. But I may remark, in passing, on a somewhat peculiar discrepancy in one of the hon. gentleman's remarks, where first, while he did not make the direct statement, he drew the inference that the policy or the lack of policy of the present government was responsible to a large extent for the present depression in Canada. Further on, he also made the statement that our trouble now and the present depression which had fallen upon agriculture, was due and due almost wholly to the war and the effects of the war. Either of those two statements might be true; both connot be accurate. May I say, in parenthesis, in speaking of the effect of the war upon the present state of this country, it has become habitual in this House, when discussing our depression or any discouraging conditions with which we are faced, to refer them to the war, to say that the war caused this, was responsible for that, and to imply at least that in the pre-war days we had the golden age of prosperity when all men prospered, when privation and unemployment were unknown?

Mr. MANION: I might straighten out what the hon. member has said, because I think he is unintentionally misquoting me? What I stated was that farming conditions in the West were due to world conditions following the war. I was pointing out that the tariff had little to do with conditions in the West, and I said, according to my recollection—and I think it is accurate—that conditions in the farming communities in the West were more due to world conditions, transportation rates, general conditions, than to the tariff. I do not think I was speaking of conditions in Canada generally. Earlier in my remarks, I gave reasons for conditions in Canada in general.

Mr. SPEAKMAN: I accept the hon. gentleman's explanation. In his opinion, at least, the present depression is not due to the war. I will go on with my argument. When we look back into the years immediately preced-

ing the war, the conditions in this country from the beginning of this century, we are struck by two great facts. In the early years of the century, we find a state of great prosperity and development in this country, and I am not one who believes that prosperity and development were dependent upon or brought about to any great extent by any governmental policy. It was a natural development. At that time the lure of free lands in the West was drawing immigrants by tens of thousands to Canada. At that time a great transportation system was in process of development. Building was going on; enormous investments were being made, and work was assured on remunerative terms to practically every able-bodied man who came here willing to work. Under those conditions prosperity was inevitable, unemployment should have been and indeed, to a large extent, was unknown. But in the years immediately preceding the war, was that condition actually in effect? I think not. The same round of events was taking place then that is taking place now. In 1910, it came to a head as regards the agricultural population of this country in that famous siege of Ottawa when representatives of agriculture from all parts of Canada descended upon this parliament, impressing their needs, showing their disabilities and demanding remedial legislation. Subsequently to that,—I am not saying consequential upon that—and incidentally, coincident with that fact, came the election of 1911, fought along the lines of reciprocity. Reciprocity was, as of course you are all aware, defeated. But in spite of the defeat of reciprocity, in the next year and prior to the summer of 1914, the depression which commenced in our agricultural communities had, as at the present time, reached our industrial centres, and anyone who looks back—and I am speaking now of facts that are within the knowledge of every hon. member here—to the winter of 1913-14, for instance, or to the summer preceding that, will remember the enormous amount of unemployment, the tremendous problems in Winnipeg and other large centres to cope with that situation, the cry that went up from every business house in this country as to the lessening and, in some cases, the wiping out altogether of profits and the danger of bankruptcy. We remember those times, and the war when it came did not immediately aggravate that situation. On the contrary, it largely alleviated that situation. There could be no unemployment when half a million of our best men had left this country. Due to enormous demands for our products of all kinds, manufactured and agricultural, a great artificial stimulus was given during the years of the war, a stimulus of course, depending upon borrowed money, a stimulus which could not and should not have continued. But my point is this, that at that time the war alleviated and delayed the depression which was already upon us. We are now facing the depression again, not as a direct consequence of the war, but enhanced immeasurably because of the effects of the war. We are facing the same struggle that we faced then, with the addition of an enormously increased public debt, a consequently, enormously increased taxation, and more than that, with the complete disorganization of the economic and business life of the whole world, not just in Canada, but in other countries to which we were accustomed to look for our markets. The war did not cause our present troubles, but it has accentuated them. I think that is a fair statement to make.

Let me return to the address of the hon. gentleman. The hon. gentleman took occasion to refer to the lack of intelligence on the part of members in this corner of the House in accepting with what he described "indecent haste"—the words being applied to our leader, —the overtures of the Liberal government, in accepting promissory notes which the government had no intention of ever paying, in selling our birthright for a mess of pottage which was never going to be delivered, for accepting the Micawber-like promises of the present government. I will perhaps pass over the question of indecent haste, because that, after all, is a matter of opinion. But when I look at the statement actually made by my leader in which he lays before the House our position, when he says:

> The Progressives are ready to support progressive measures whenever such measures come before the House. If the government are prepared to present these measures for our consideration they know that they shall get our support; if they do not, then they will have to take the consequence.

Can that be regarded as accepting a promise with indecent haste? In my opinion it is rather occupying the position of watchful waiting.

Mr. MANION: I was not referring to that speech at all; I was referring to an interview given by the hon. member's leader (Mr. Forke) some days before to the Winnipeg Free Press.

Mr. FORKE: Will the hon. member kindly tell us what that statement was? I do not know what it was.

Mr. MANION: I am not on the floor at present. The statement was made and

quoted all over the country in every newspaper through the Associated Press. Does the hon. member deny that he gave an interview to the Free Press?

Mr. FORKE: I do not remember any interview.

Mr. MANION: It was given.

Mr. FORKE: Nor do I remember the hon. member making that statement in his speech.

Mr. MANION: That is what I was referring to.

Mr. SPEAKMAN: Perhaps my hon. friend (Mr. Manion) was referring to a statement, which I remember reading in the press, in which my leader was quoted as having stated that we would maintain a position of "benevolent neutrality." Probably that is the statement to which reference is made. Well, what is benevolent neutrality after all? It means in this case simply sitting tight, but prepared in a fair-minded way to weigh the measures that may come before the House. That is my interpretation of benevolent neutrality. Should we take up a position of hostile neutrality, ready at any moment to attack all measures that may be submitted, and attack them even before they come before the House for consideration? Should we take it for granted that such measures will not be acceptable in any event? It all is in keeping with the attitude assumed since the beginning of this parliament by some hon. members to my right,—I do not say by all,—that we are here not as independents but as a sort of adjunct to the Liberal party. And what is the interpretation given to independence by hon. gentlemen to my right? As far as I can gather, an independent, in their opinion, is a man who on all occasions will vote against the present government and with the Conservative party. That however is not my opinion of an independent, nor is it the opinion of the men who sent me here to represent them. The people whom I represent want me to do one thing and one thing only, and that is to weigh to the best of my ability the measures that come before this House, whether proposed by Liberals or Conservatives, and, if I find them, from the point of view of those who elected me, to be in the best interests of the country, to give them my support.

The hon. member then pointed out, and I think rightly, that there was a depressed condition among many of the manufacturers. I believe he is accurately informed in that respect; I believe they are in a depressed condition. But he went on to state that the manufacturers were suffering from the fact that the price of labour is about half the price in Great Britain that it is in Canada; that is to say, in Britain, a free trade country, wages are very low. In the next column he is reported as saying that they were unable to compete with France because in that country, one of the most highly protected countries in the world, wages were even lower than in Great Britain. And again it has been stated, although I do not think directly by the hon. member but by other members in his party, that the manufacturers here are unable to compete with the manufacturers of the United States, which is a protected country, where wages are on a much higher level than they are in Canada.

Mr. MARLER: Is the hon. member taking into consideration the question of the depreciated currency in France?

Mr. HOEY: The hon. member is not at the moment replying to my hon. friend.

Mr. SPEAKMAN: Yes, I have considered that question. But let me ask hon. members: Were wages in France previous to the war lower or higher than they were in Great Britain? They were lower. Were the manufacturers in this country any more prepared to meet the competition of France prior to the war than they are now? They were not. And at that time there was no question of a depreciated currency at all. Let me ask hon. members this question. If our manufacturers cannot compete with free trade Great Britain because of low wages there; if they cannot compete with protectionist France because of a depreciated currency and low wages there; and if they cannot compete with the United States where wages are higher than they are here, as is evidenced by the exodus of our industrial population from Canada to the United States, then in heaven's name with whom can they compete? I have a great deal of sympathy with the manufacturers because I know myself what it is for one to be unable to sell one's goods at a profit. I want to see the manufacturers sell their goods at a profit. But is it a quality inherent in Canadian manufacturers that they are unable to compete with the manufacturers of other countries? Is it due to any lack of efficiency? To what cause is it due? It cannot be due altogether to a restricted market, because the point has been taken also in reference to our manufacturers of farm implements, and if I understand correctly they have a larger

possible market than the manufacturers of farm implements in the United States inasmuch as there is no tariff on our goods of that particular manufacture going to the United States.

We come then to a statement which from my reading of history is hardly historically accurate. The most serious statement which the hon. member has made has reference to the position occupied by Great Britain both previously and subsequently to the year 1846. The statement was made by the hon. gentleman that Great Britain built up such an organization under protection previously to 1846 that by the momentum thus acquired she was able to carry on successfully under free trade circumstances during the later years. Now what are the facts, at least as I read them? Of course I am speaking now purely from the historical point of view; I did not live in England at that time nor did my hon. friend, and so we both have to go by what we read. When I look back over that period I interpret the facts in this manner. About the end of the eighteenth century manufacturing on a large scale, industrialism as we know it to-day, practically had its origin; it began when steam was applied to the great industries. At that time really effective and efficient machinery was first brought into use and England by reason of her situation was able first to take advantage of that opportunity. She was able first to make use of that improved machinery to develop herself to a certain extent along the manufacturing line. Then followed the Napoleonic wars, before England had developed to any great extent and before Europe had been able to follow her example to any extent. For a quarter of a century there was a delay, a retardation of development. There was to a certain extent a depression in Europe; and England, through having already organized to some extent to take advantage of the improved machinery, was able to profit. But as time went on, as that source of profit diminished, as competition came into force, what were the conditions which we find in Great Britain immediately prior to 1846? When we read English history we find the period that has been aptly called the hungry forties, those years when unemployment was rampant there to an extent never known since; when the poorhouses of the old land were filled; when men were walking the streets in processions bearing this banner: "Give us work or give us bread." when they were subsisting, partially at least, by public doles even outside the poorhouses. That was the situation then, a situation which was even more serious than that with which they are faced at the present time. Because of that condition of affairs, because of the fact that under the protective tariff which then prevailed the people were unable to find employment and therefore were unable to buy bread, that great man, Richard Cobden, came forward and began his long, heroic campaign for the repeal of the Corn Laws. For years he carried on that campaign, aided by the growing dissatisfaction throughout the country, aided, too, it is true, by the depression of industry and the poverty of the people. Had there been prosperity Richard Cobden's efforts would have been in vain. Indeed, had everything been smiling and prosperous he would never have felt the need for undertaking that great work. He undertook it because of the distressing conditions under protection, and eventually his efforts were crowned with success, and the Corn Laws were repealed.

Mr. MARLER: Might I ask my hon. friend what British industry was the most protected at that time?

Mr. SPEAKMAN: The farming industry was most protected at that time. But the hon. member stated that under protection England was flourishing, and due to the impetus given during that time she was able to carry on through the free trade years following. That is the statement I am answering. Conditions reached such a crisis that the Conservative government was obliged by the force of public opinion to introduce free trade, and under that policy England's prosperity grew by leaps and bounds. Her population in the seventy years following 1846 practically doubled, and her trade multiplied many fold. Then the hon. member compared the prosperity before free trade with the prosperity afterwards. I think the facts as I have stated them are historically accurate; they are known to every hon. member and capable of proof by everyone.

That, however, was simply by way of parenthesis. In this connection the hon. member made another statement—rather it was an expression of opinion, and as such I have no quarrel with it at all. He expressed the opinion that if Mr. Baldwin had taken three months, instead of three weeks, to educate the people of Great Britain to the fallacies of free trade, he would have succeeded, to England's very great benefit. Of course, the hon. member has a perfect right to that opinion, but I would ask him again if he has any historical backing for such a view. If I remember rightly—and it was not so very long ago—another great English statesman,

Joseph Chamberlain, set out upon the same crusade. He resigned from the government in order to give himself a free hand, and for three years following 1903—not three months—he laboured with an eloquence at least equal to that of Mr. Baldwin's, with an eloquence at least equal to that of the hon. member for Fort William and Rainy River; he laboured for three years to convert the British people from their attachment to free trade to his idea of protection. With what result? In the 1906 general election the Conservative government was swept out of power by an enormous majority of free trade votes. That is an historic precedent.

Mr. BROWN: Is the hon. member aware that, according to newspaper reports, the Conservative party, recognizing the wilderness into which they have wandered by their advocacy of protection, have repudiated it?

Mr. SPEAKMAN: I have read such reports, yes. Now, one more statement regarding conditions in Great Britain, unfortunately only too true as to the amount of unemployment there under free trade. Two million idle men have been walking the streets. I think perhaps the number is a little less now, but it is far too great still. But is that unfortunate condition due to free trade, or is it due to other factors? It seems to me that it is due, to a large extent at least, to elements entirely apart from free trade. To begin with, what country amongst the English-speaking nations of the world carried such a ponderous load during the war as did Great Britain? What country made such enormous financial sacrifices, not only to carry on her own part of the struggle but also to finance her allies? But in spite of these tremendous efforts what country is making such heroic endeavours to become again solvent, to meet her debts as they become due, to overcome the difficulties with which she is confronted? Whatever other factors may enter into our consideration of unemployment and industrial depression in Great Britain, to my mind the great outstanding factor is the dislocation of her markets as one of the after effects of the war. The disorganization of Europe has almost destroyed one of Great Britain's chief markets, and this disorganized condition has, in my opinion, been aggravated by the multiplicity of protective walls due to the Balkanizing of the Continent, preventing any reciprocal trade agreements and interrupting, and indeed blocking, the former channels of commerce. This I believe is one of the chief causes of the present insolvent condition of Europe, and the unfortunate effects I believe will continue until the cause is removed.

The hon. member stated, and it was concurred in by others in his part of the House:

> Some of them take the attitude—I do not attribute it to all of them—that the only wealth produced in Canada is that produced on the prairie farms.

I challenge him or any other hon. member to name a single member in this section of the House by whom such a statement has been made. I have never heard it, and I have followed the debates fairly closely. On the face of it the suggestion is too absurd to be taken seriously. The hon. gentleman proceeded:

> Well I submit that the man who takes the raw leather and turns it into boots and shoes is just as much a creator of wealth as the man who raises the animals from which the leather was taken.

Of course, he is a producer of wealth. Any man who does an honest day's work, who improves or creates any article, is a producer of wealth. We all know that, and nothing is to be gained by such trite statements.

The next observation made by the hon. member was in reference to a statement which he attributed to the hon. member for West Edmonton (Mr. Kennedy) although I think it was another hon. member, but that does not matter. He attributed to that hon. member the opinion that having tried out protection for forty years, if at the end of that period our manufacturers could not stand on their own feet, they should go out of business, or words to that effect; and our critic suggested that that was as unfair, un-Christian and un-Canadian as to suggest to the farmer who, after years of drouth, and notwithstanding unremitting hard work, found himself obliged to ask the government for assistance to buy seed, that he should go out of business.

I do not think, Mr. Speaker, that that is exactly a parallel case. If any farmer in my country had been bonused by the government for ten, fifteen, twenty or forty years, had been able to receive artificially enhanced prices for so long through the action of the government, and then found himself in such a position that he could not farm at a profit, I say that that man ought to go and do something else that he could do better.

Mr. KENNEDY (Edmonton): Is it not a fact that a few years ago the Alberta government refused to extend further the seed grain assistance to farmers?

Mr. SPEAKMAN: Yes, they refused it; they found they had gone as far as they could go. I will leave that subject with one further comment. In regard to the suggestion that we were willing to sell ourselves for a mess of pottage, willing to sell ourselves

for seventeen cents, I think the statement was, I want to say that it is hardly in accord with some of the statements made by certain hon. gentlemen during recent campaigns in the Maritime provinces, when it was alleged that the government had sacrificed the interests of Canada as a whole and of the Maritime provinces in particular, had sold the public good to the Progressives for their vote and had delivered the goods. Either statement might be correct, but both cannot be. I do not intend to enter into the merits of that election, but some of the statements that were made during the campaign, including certain statements of the hon. member for St. John (Mr. Baxter)—I regret to say it in his absence—were not calculated to promote unity and harmony in this country. To my mind it was the most outstanding evidence of parochialism in politics that it has ever been my bad fortune to see.

Mr. MEIGHEN: The hon. gentleman, in justice to the hon. member for St. John, should at least quote the statements, and he could also quote some from the hon. member who is now Minister of Marine and Fisheries (Mr. Cardin).

Mr. GAUVREAU: What he said is known now all over the country.

Mr. SPEAKMAN: My only reason for referring—

Mr. MEIGHEN: I asked the hon. member to quote them.

Mr. SPEAKMAN: It is a very easy thing to ask me to quote them when I have not the newspapers here.

Mr. MEIGHEN: It would be a lot fairer, seeing that the hon. member for St. John is not here.

Mr. SPEAKMAN: My only reason for speaking of any one man was this: His addresses were reported, whether accurately or inaccurrately, in every newspaper in western Canada, and they were the only ones that were quoted. Had remarks equally parochial been made by any other man of any other party and had they come to my notice, I would have referred to them just the same.

Mr. MEIGHEN: No danger.

Mr. GRAHAM: The question is, were they parochial?

Mr. SPEAKMAN: I have said all I wish to say about the address of the hon. member. I hope I have done him no injustice; I have at least expressed my own opinions and my own feelings on the matter.

[Mr. Speakman.]

I wish now to turn to some of the suggestions which have been made in the Speech from the Throne with a view to
4 p.m. alleviating the conditions which we all agree now face this country. The first suggestion made, and one of some importance, is that of economy. I shall not dilate upon that theme. The government will receive the support of every member of this House, I think, in any measure of wise economy which they bring forward. It is most desirable that there should be a cutting down of unnecessary public expenditure, and a reduction of the personnel in governmental service until each man and each woman does a fair day's work, if they are not doing it now—I am not acquainted with the facts. I do not advocate reductions of pay to the average man or woman; I believe in the principle which has been enunciated again and again that the labourer is worthy of his hire and that every man and every woman employed by the government should receive fair, decent pay and should give in return a fair, decent day's work.

Economy, of course, can be wise economy or unwise economy. Economy carried to such an extent that the public service would be starved and rendered inefficient might be termed unwise economy. There are times when developments are necessary for the carrying on of the business of the country, and each one of these expenditures, each one of these developments, must be considered as a business investment. I am not in favour of making grants of public money as such except under extraordinary circumstances. I am in favour of public money being loaned at times on such terms and to assist in such development as will bring an adequate return, not only in business, but in business that is sufficiently profitable to enable the setting aside of an interest and sinking fund on the amount loaned. From this point of view the matter could be considered as a strictly business investment. For instance—I simply mention this case because the facts are known to me—we have the case of Montreal, where the money loaned is scrupulously returned; the development is proceeding adequately and in all parts of the country there is a certain amount of satisfaction.

I would like to refer to three outstanding problems which not only face the people of the West and those of my own occupation but which directly and indirectly bear most heavily upon all the people. First is the problem of taxation. I shall speak briefly on those topics which have already been covered

by other speakers, notably by the hon. member for Humboldt (Mr. Stewart), who dealt with them ably and eloquently. There are two or three points in this connection which might well be repeated, for the purpose not of reiteration but of endorsation and emphasis.

Speaking of taxation, we know that we are taxed heavily, and we know also that we must continue to be taxed heavily. Economy will effect some slight reduction in public expenditure, but the reduction can only be comparatively small, because a large part of our revenue is now taken up in the payment of interest and fixed charges which we cannot lessen and a large part of it is unavoidable expenditure which it would be folly to omit. Only a small portion of it, therefore, is susceptible of the application of measures of economy. Speaking offhand, I believe that if we could economize to the extent of twenty or twenty-five millions we would be doing very well, and that after all is a very small percentage of our taxation as a whole. The question, then, becomes one rather of how these taxes can best be levied and how they can best be paid so that business will be disorganized to the least possible extent and so that as little hardship as possible will be inflicted upon the individual. In that connection I am afraid I must differ from a good many members of the House who have spoken. Speaking from the point of view of taxation alone, commodity taxation, whether it be by tariff or by sales tax, is neither a fair nor an efficient form of taxation. During the last session of the House I had the pleasure of meeting some of the leading bankers of the United States, who were in this country gathering information as to the effect of the Canadian sales tax on the different industries of this country. They had approached the different business organizations and they gave me an opportunity of expressing my views in the form of a memorandum, part of which I wish to quote. I was asked only two questions: What in my opinion was the effect of the sales tax upon agriculture, and what was the expressed opinion of the organized farmers of the West in that regard. What I said in that memorandum about the sales tax applies with about equal force to the tariff or to any other form of commodity taxation, that is, to any form of taxation by which we pay through the increased price that we pay for our goods. Perhaps it is not the proper term, but that is what I would call indirect or commodity taxation. I am not now considering the tariff from the point of view of the protection afforded; those are two separate subjects, I am discussing it from the point of view of taxation and taxation alone. In the memorandum I am about to read, and I set out my opinions there as concisely as I could, I state this:

> The organized farmers of western Canada are not in sympathy with the principle of a general sales tax on commodities as at present applied, although realizing that it might with advantage be levied upon certain lines of goods, which might be termed luxuries. Their objections, which are the result of some years of careful study and observation, might be briefly summarized as follows:
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> 1. This tax levied at its source must inevitably be increased by the pyramiding of profits as the goods pass through the hands of wholesalers, jobbers, retailers, etc., with the result that the ultimate purchaser must pay a sum greatly in excess of the amount received by the federal treasury. Thus the present proposed tax of six per cent would approximate ten per cent as added to the retail price of the goods affected.
>
> 2. A sales tax of this nature is unsound in its application, as it is not based on the taxpayer's ability to pay, but on the amount of goods which he must purchase. In that way it will increase in direct ratio to the number of dependents he may have, and might be approximately termed a "baby" tax, acting as a direct deterrent to the rearing of families.
>
> 3. Under this tax also, the smaller a man's available income, the greater the percentage of taxation, as of course, a larger percentage of that income must be expended in the purchase of those taxable commodities.
>
> 4. This tax bears with peculiar weight on the western farmer. Not only is he, in common with all consumers, taxed upon his purchases for household, family and personal use, but he must also pay this tax upon his instruments of production, his machinery, building and fencing materials, etc.
>
> In this respect, of course, he is placed in the same position as the manufacturers of other products, but with this difference, that in other lines of industry, the manufacturer is enabled to add this tax to the market price of his goods, thus passing it on to the consumer, while in the case of the farmer, he must absorb it himself, as the market price of his products is set in the open markets of the world.
>
> It has been stated by the advocates of this system of taxation that this is a method of "painless extraction". This might be taken as an insult upon the intelligence of the taxpayer, as a moment's reflection will show, that even though the money is extracted under the influence of a narcotic, upon awakening from his stupor the patient will find that not only is the money gone but that he has paid very highly for the sedative.

That, Mr. Speaker, is my opinion on taxation expressed as concisely as I could word it. I concede that it is a tax which no man can evade, every man must contribute to that tax. In talking about any form of taxation it is incumbent, of course, to make some suggestions for raising revenue. Well, in spite of the discussion upon the income tax, in spite of the suggestion that the income tax should be lowered, I believe that it is the fairest, most equitable, and the most economical form of taxation extant. The system by which we can take from every man a percentage of his net income graduated in proportion to the

amount of that income, classified perhaps in accordance with the way in which he earns that net income, but a percentage taken from every man's income and taken directly, is, perhaps, Utopian. I can realize the difficulties of collecting such a tax, but I think we should place emphasis upon that as the mainstay, the backbone, of our taxation policy, and simply supplement it with further taxation as is found necessary.

Now, I must hurry on, I have already taken more time than I intended to. The next crushing weight which we are carrying is the cost of credits. I am aware that this is a question which will stand a good deal of discussion. I am aware that we are suffering from an extended credit, a too greatly extended credit in the past. I am aware of all these things, and I am not suggesting this with a view to obtaining any greatly increased credit for the farmers to enable them to buy more, to spread themselves on expenditure. I am not suggesting it so much from that point of view, as I am in order to provide a means of consolidating their present indebtedness, of refunding their present indebtedness so that it can be paid under terms that make repayment possible; and I am suggesting that we take an example from the precedent set by the United States in that regard. I suggest that we study the details and that we bring into effect if possible, and I believe it is possible, a sane and sound system of rural credits. We are, as I have pointed out before and I am not going to discuss it again, suffering under that pressure for the reason that our bankers cannot advance us the money we need on terms which will enable us to utilize it, and because the indebtedness carried now, even although in most cases the farmer still holds considerable equity in his property, forms a mountain upon his shoulders, with a high rate of interest which is accumulating all the time, rendering it impossible for him tc meet his obligations. My suggestion, carrying on the suggestions of other members, is that this government look seriously into the recommendation, the unanimous recommendation of the special committee on Agriculture last year, that they should consider most carefully any report which they may have received upon that subject, and that they should not only consider the question but should, if possible, act upon it. I know of no one thing in western Canada which would bring more immediate relief from our conditions than the adoption of a sane system of rural credits.

That brings me to the question of transportation, and again I am aware that we can-

not materially reduce the cost of transportation unless we increase the tonnage which the railroads can carry. We know that. We cannot go on piling up deficits but I believe that we should at least have a fair equality as regards freight rates as between one part of Canada and the other part of Canada. That is all we are asking now. There should be a policy of some equality. It has been pointed out by my hon. friend and colleague (Mr. Lucas) that discrepancy exists between the eastern and western rates—both prairie rates and mountain rates—a discrepancy which is not only affecting our own business but is reacting upon the business of the manufacturers and other industrialists in eastern Canada. The force of that was driven home to me peculiarly when I had the pleasure of visiting Vancouver during the early winter. On that occasion, amongst other things, I had the gratification of going on board the Margaret Coughlin, a pioneer in the inter-coastal trade between Atlantic and Pacific ports. I went through that great vessel which contained 8,000 tons of mixed cargo; practically everything you could name was there. I inquired of the agent what the average freight rate was upon these goods, and he told me fifty cents a hundred. That was the average on the freight from steel rails all the way to baby carriages between Montreal and Vancouver. This as compared with a rail rate which would average $1.70. Now, you can see, Mr. Speaker, the enormous impetus which would be given not only to our agricultural population, not only to the city of Vancouver, but to our eastern industrialists if we had equalized railway rates from the mountains to the coast, and had equalized rates from the port of Vancouver back to the prairies. One of the great difficulties of the men here in the industrial centres is that they cannot ship their goods to us at a price at which we can buy them. That is one of their great difficulties. The cost of transportation is one of the prime factors responsible for that and if they were in a position to take advantage of a cheap water freight rate to equalize the haul to the prairie provinces. I believe eastern industrialists would sell fifty per cent more of their goods than they are doing at the present time. Not only that but it would also increase the value of our products. I believe the subject is one to which consideration should be given not only from our point of view but also from the national point of view—not so much the question of forcing our railways to carry at a loss, but the question of utilizing to the best advantage the cheapest and best routes which we have. That is the point at issue in that connection.

I am not going to debate the question of protection and free trade. That has been dealt with, and my time is up. But I would like in conclusion to make a reference to that subject—I was going to say that tabooed subject—of national unity. It has been suggested that we should not talk about it, but should take it for granted. Nothing is gained, Mr. Speaker, by ignoring palpable facts, and the facts are that there is not the feeling of harmony between one part of Canada and another part that there should be. There is not that feeling of unity which we all desire to see. These are facts. Of course we all desire to see unity. One member desires it just as much as any other member, but the fact is that it is not there. I absolutely agree with the hon. members who have already spoken on that line, that we can only bring about that national unity of thought and spirit—I am not speaking of political unity—which is so desirable, if it is built upon an actual knowledge of the conditions prevailing in all parts of the country. From that actual knowledge is produced equality of opportunity and equality of treatment between one part of Canada and another, between one occupation in Canada and another occupation. We have been accused perhaps of speaking as a class, and we have been accused of speaking sectionally. It is not, Mr. Speaker, because we are not Canadians. We realize that these inequalities undoubtedly exist, because one occupation has not equal opportunities with another occupation, and one section of Canada has not been treated with equal fairness with other parts of Canada and has not had the same equality; and realizing those facts, I desire to bring them to the attention of the House, not for the purpose of whining, not for the purpose of crying calamity and blue ruin, but in order that these facts may be given consideration, that the cause itself may be removed, and that upon the basis of equality of opportunity, upon the basis of just legislation as applying to every man, woman and child in this country, we can build a great, a prosperous and united country.

Mr. W. D. EULER (North Waterloo) I desire, first, to join with those who have preceded me in extending congratulations to the mover and seconder of the Address. They have acquitted themselves with a great deal of credit to themselves.

There is from time to time, from year to year, during the course of this debate, a great deal of criticism in the press and elsewhere in regard to what is termed the waste of time in discussing the Address. I have never found myself entirely in accord with that view. The Prime Minister has frequently said that he regards the cabinet as a committee of parliament. That is perhaps more or less of a polite fiction with this and other governments. But if the declaration be true, then it surely follows that the cabinet should desire to be informed of the wishes of the individual members of parliament, so that if they see fit they may incorporate into the legislation which is to be introduced to the House later the views which are expressed in debate. That should be done as early as possible, in order that action may be taken. The debate on the Address is the earliest opportunity that is presented to the members for stating their views. For that reason I believe that every man who desires to say something on the public questions of the day should avail himself of this opportunity to do so, but to do it as briefly as possible.

With much that appears in the Speech from the Throne I am in entire accord. The people of Canada will receive with a great deal of satisfaction the declaration that we are to have a reduction in expenditure. We are also to have a reduction of taxation—a taxation which has been so heavy that it has operated as a great drawback and handicap to the recovery of business and the restoration of general prosperity. The government is also to be commended and will receive credit, if it succeeds in presenting a balanced budget. It has been a matter of very considerable concern to the people of this country that up to the present time it has been found impossible to confine expenditures within the income of the government. These things it seems to me, Mr. Speaker, are paramount and the most important considerations, although a great many others could be mentioned of almost equal importance.

I propose to discuss four questions which in my opinion engage most particularly the attention of the Canadian people. I am not necessarily giving them in the order of their importance. These subjects are: taxation, with which is allied expenditures; immigration, our national railways, and lastly, the question of the tariff.

So far as taxation is concerned, I would like to reiterate what has been said by the hon. member for Red Deer (Mr. Speakman), that you may cut the expenditures to the bone and you would still have, necessarily, an expenditure of a large irreducible minimum. That means heavy taxation for a generation or more to come, and governments will not become more popular—I am not referring to this government or to any other

particular government—and governments will find themselves unpopular from time to time merely as a result of the fact that they must administer and levy heavy taxation. Governments will suffer for it. The present government cannot be held responsible for the heavy debts which have been incurred. I am not going into that question, and I am not going to place any blame for that, if there is any blame. The present government and succeeding governments will not be blamable for the taxation which must be imposed, but they will be held responsible by the Canadian people if the expenditures are greater and if the taxation is greater than need be. They will also be held responsible for methods of collecting taxes. I have always felt, Mr. Speaker, that we should confine ourselves largely to three great sources of revenue as simple as possible in their nature and mode of application. I might say to my hon. friend from Red Deer that I am not going to be dogmatic about this. It is merely an expression of opinion. One of these is a customs tariff. That is variable and will fluctuate from year to year according to the business done, and according perhaps to the rates that are applied. The second is the income tax. I believe in the income tax. I believe that those men who find themselves in receipt of heavy incomes as a result of profit being made because of the opportunities which they have in this country may very well be asked to give up some of those profits to the country in which they are made. I think, however, that certain changes could very well be made in the income tax. The collection of the income tax, and the making out of the various forms could very well be simplified. I would also say—and possibly my hon. friends opposite will not agree with me in this, that I do not believe it is a good policy to levy an income tax on an industry as such. If profits are made by an industry it would be to the advantage of industry and not detrimental to the national revenue if the income tax were levied upon the individual after he receives his dividends or his profits rather than upon the industry itself.

The third source of revenue which I have favoured has been the sales tax. So much complaint has been made within the last year or two with regard to the sales tax and its operation, that my mind is quite open as regards changes which might profitably be made. Possibly a turnover tax, which is another form of sales tax, might be considered advisable. But so many suggestions have been made as to sources of revenue which the government might tap, that I admit I have not been able to make up my mind as to what is most desirable. I would however abolish what is known popularly, and quite properly, as the "nuisance tax." I have never felt that the tax which is levied in the form of stamp taxes upon cheques, bills of exchange generally, and latterly upon receipts also, is a tax that we should have. It is a nuisance tax, and that is chiefly my reason for opposing it, although, as a matter of fact, I can see no more logic in raising money by a stamp tax than there was in the old days in levying the window tax which existed in England at one time.

Taxation should be made as little annoying as possible, and from the political point of view, that is also very desirable. The fact that people have to pay taxes is in itself a sufficient reason for prejudice against the government that applies such taxes. If the necessity of paying is accentuated by the people being subjected to unnecessary inconvenience, that operates very much to the disadvantage of the government that is in power. The hon. member for West York (Sir Henry Drayton), who was Minister of Finance in the former government, had an illustration of that statement. He applied the luxury tax. The luxury tax in itself was very objectionable, and the method of its collection was also objectionable. I believe it was a factor in the defeat of the government that went to the people in 1921. I am free to say, however, that was not the only factor. That result was really inevitable at the time. In passing,—and this is by way of parenthesis in relation to the collection of the luxury tax, —I believe this government has fallen heir to a legacy of obligation from the previous government in the matter of a tax collected upon automobiles, a tax upon which refund was not made when the tax was abolished. While it goes distinctly against the grain for any Minister of Finance to give up money that once gets into his treasury, I believe the government should repay to those automobile dealers money which does not properly belong to the people of Canada and which we should not keep, no matter how much we need it.

The taxation problem is an exceedingly difficult one. We have unprecedented conditions as a result of the war, and it follows just as naturally that we must adopt unusual and new means of levying taxes. For that reason, I am glad to note in the Speech from the Throne that the government proposes to appoint a committee to investigate and ascertain modes of taxation which might be

adopted. On that committee I would like to see represented the best thought of all parties in this House, so that they may make a report to parliament upon which may be based some system of taxation which will be satisfactory to the Canadian people.

I propose to speak for a few moments on the national railways. As a matter of fact, the national railways speak for themselves. I might say—perhaps I should not say it—that prior to a year or two ago, I had the doubtful honour, as it was considered at that time, of being practically the only member on this and almost so on the other side of the House who was in favour of public ownership of the railways and said so.

Mr. MACLEAN (York): Oh, no. I was in favour of it before the hon. member came into this House.

Mr. EULER: If the hon. member will just recall my words, he will agree with me. I said "almost", and I am quite willing to say that the hon. member who made the interjection a moment or two ago is the father of it all; that he has stood nobly by public ownership of railways when everybody else was against it and he was as a voice crying in the wilderness. I said that the railways speak for themselves. According to the figures of the president of the Canadian National Railways, Sir Henry Thornton, we have improved our position financially during the year. We have operated with an improvement over last year of some $18,000,000. I believe even the hon. member for Laprairie and Napierville (Mr. Lanctot) would no longer sell the national railways for a dollar as he was prepared to do a year or two ago—

Mr. LANCTOT: I am ready to sell them for a dollar or even for seventy-five cents.

Mr. EULER:—especially when he learns that the president of the railways has predicted for next year a still further improvement of some thirty million dollars. I think the president of the Canadian National Railways is to be congratulated upon the success which he has achieved. He is making good. Of course he makes mistakes as do other people, and one of those was in connection with the purchase, or the manner of purchase, of a certain hotel in the city of Paris. But in a general way, he is making good, and he deserves encouragement from the members of this House.

I listened, with a great deal of interest, to the address of the hon. member for St. Lawrence-St. George (Mr. Marler) a few days ago, who expressed himself as still unconvinced of the merits of public ownership of railways. I rather regretted to hear him say so. He had made such an excellent speech in every other way that I did not like to see his effort marred in that manner. I should like to say to him and others who seem to have a mistaken impression of the purpose of national ownership of railways, that that purpose is not to make profits, but to give the best possible service at the lowest possible cost. Personally, I would rather be one to help pay a reasonable deficit from year to year, than see the railways of this country pass into the hands of any monopoly. I said that service was the purpose of public ownership of railways, and I know the members of this House who travel on the Canadian National Railways—and I hope they do, although they travel on passes —will admit that the service on the national railways has improved tremendously. It is not too much to say that the service on the other great railway in Canada has also improved, because that railway finds it is necessary to make improvements in order to hold its own with the national railways. All this is to the benefit of the whole Canadian people. I had the temerity to make the prediction last year on the floor of this House that in five years or less the Canadian National Railways would cease to be a burden upon the taxpayers of Canada. Sir Henry Thornton said a day or two ago that that period would be reduced by a year. He said that we might expect the Canadian National to cease to be a burden on the taxpayers of Canada in three years, and I believe he is right. When that time comes I expect that our level-headed colleagues from the province of Quebec will agree with us that the national ownership of railways is a good thing. The Canadian National Railways are owned by the people of Canada. And they are here to stay, they will continue to be owned by the Canadian people; and I venture to make this prediction that if ever there is a monopoly of railways in this country, in spite of such things as "the whisper of death," that monopoly will obtain when the people of Canada own all the railways in this country; because they will not tolerate any other kind of monopoly.

I propose to speak for a few moments on the question of immigration. It is a truism, I think, that Canada needs millions more people. Sometimes the statement is made that we should have more people in this country in order to help us carry our debt. That I think is an unfortunate way of putting it. I should like to see more people coming to

Canada, but I want them to come because they find Canada a good place to live in, a country in which they can become prosperous and from living in which they can derive some benefit. I want people to come to Canada because they can be content and be willing, by reason of the benefits they get, to help in shouldering the debt. Last year there was a good deal of criticism with regard to some of the methods employed in the Department of Immigration. The restrictions, it was stated, were still too stringent. I agreed with that to some extent, and I do not think that the situation is entirely remedied at this time. We still have difficulties through the overzealousness of some of the officials overseas; and if these officials are not going to mend their ways at an early date they ought to be relieved of their duties altogther. I stated my position on immigration last year and I will state it again. I am in favour of the admission to Canada practically of all people who are healthy and white and who give promise of becoming law-abiding Canadian citizens, and, I would say, regardless of occupation and race. I listened with considerable interest to the remarks of the leader of the Progressives (Mr. Forke) the other day. I hope I am not trenching upon a delicate subject; at least, whatever I say in this connection I say in entire good faith and I hope it will be accepted in that spirit. The hon. member said, in designating the races which he would allow to come to Canada, that he was in favour of the admission of the German people. For no reason that I can possibly imagine, when he said that, my friends sitting about me turned their faces in my direction. But they were friendly faces; and I might say here that I have always felt a great deal of gratitude to them as well as to hon. members on the other side of the House for the tolerant and kindly way in which they have always received anything I have said touching this subject. I believe they must have felt that, after all, they were in contact with one who was a Canadian of the Canadians, born and bred a Canadian, and yet never at any time ashamed of his forebears or of the race from which he came. When the hon. gentleman stated that these people became good citizens, he rather apologetically added, "in time." I was almost as much amused at that as my friends sitting about me. True, "in time;" and I think that if the history of these people is studied it will be found to be indeed a very short time. I know, Sir, that it is natural, after a war such as we have had, for hatred and prejudice to remain alive for a considerable time.

[Mr. Euler.]

Mr. FORKE: You will give me credit for what I said?

Mr. EULER: I give the hon. gentleman credit and thank him for what he said. Now, while the feeling to which I have referred possibly is natural, I do not think it should be permitted to influence the minds of statesmen who are dealing with questions on their merits in the interests of the country. I wish I could take those hon. members who do not know these people to the city of Kitchener, or the town of Waterloo, or the town of Elmira, or to the farms of that section, to the counties of Oxford and Perth, to Renfrew, or perhaps to the Canadian West, and show them what has been done by these people in the way of helping to build up this nation. They are proud to be Canadians, and we may well be proud of them. They take their share in the industrial, social and educational activities of this country, and they have a commendable public spirit. They are elected to our councils, occasionally one is elected a member of parliament, and until recently, were considered not unworthy of elevation to that august body known as the Canadian Senate. I would say that if we could have more people of the type we already have we should welcome them in hundreds of thousands. They will not imperil Canadian institutions, because, in addition to the qualities of thrift and industry which they are known to possess, they have the faculty of adapting themselves to their environment, and they accept all the responsibilities and duties of Canadian citizenship.

And now I come to a subject that is perhaps of more interest than anything I have so far discussed: I refer to the matter of the tariff.

Mr. HOEY: Do not spoil a good speech.

Mr. EULER: The hon. gentleman apparently would be very much surprised—I hope, not disappointed—if I echoed some of the sentiments that, no doubt, possess his own mind. My position with regard to the tariff is fairly well known in this House, and at the present moment I refer to it only because, since the submission of the Speech from the Throne, for some reason or other, the press and members of parliament and others have gone into what seems something like a panic, which does not appear to be justified by anything that is stated in the Speech itself. Reading the Speech from the Throne I find the tariff mentioned but once, and that reference is as follows:

National unity, not less than national prosperity, depends upon the surmounting of those barriers which

have tended to separate western from eastern Canada and to discourage permanent settlement upon the land. Foremost in this regard are the problems incidental to tariff readjustments and to the marketing of agricultural and other natural products.

Every member of the House, I think, will subscribe to the declaration that national unity in Canada is desirable. I am not in the confidence of the government in this matter and I do not know exactly what is implied in the words "tariff readjustments." A readjustment of the tariff may imply an upward revision or a downward revision, or perhaps even both; and while certain meanings have been read into this phrase, and perhaps rightly so, I purpose to cross the tariff bridge when I come to it. The budget itself will disclose the policy of the government in this regard, and that will be discussed on its merits no doubt, when the concrete proposals of tariff readjustments come before us. Nevertheless I desire to make my own position clear. I want to discuss the subject in entire good faith from my point of view. I am from an industrial city. The hon. member for Red Deer (Mr. Speakman) declared a few moments ago that he stood here to represent the wishes of his constituents; and that, Sir, is my purpose. I would say at the outset that I have every sympathy with the desires, the aspirations and the difficulties of the people of western Canada, as well as with those of our industrial communities. And I think that some of us, on this side of the House at least, may claim that we gave rather tangible proof of our interest in the westerner when, last year, we helped our friends opposite to obtain the restoration of the Crowsnest pass agreement. Tariff views, in my opinion, are very largely the result of environment and the personal profit which one may obtain from the tariff, either high or low. That opinion, perhaps will not be received with pleasure in some quarters, and my friends opposite may not agree with it, but I think an analysis of what we feel will convince us that this is the case. Selfishness, after all, is the most compelling motive in humanity.

Mr. FORKE: No, no.

Mr. EULER: My hon. friend, I believe, is an optimist, and it is well that he is; but nevertheless, I believe in the truth of what I have expressed. The westerner believes in free trade or lower tariffs, and I think this is because he feels that such a change would be for his benefit. On the other hand, the easterner—the manufacturer or the operative—believes in a protective tariff because he thinks it will benefit him financially. Both are entitled to their opinions. Probably I could give no better proof of the soundness of this statement than by citing the example of the United States farmer. While our Canadian farmer in the West is a free trader or low tariff man, his brother in the United States is a high protectionist. He caused a tariff of thirty cents a bushel to be placed against Canadian wheat, and he has recently succeeded in having it raised to forty-two cents. I do not care to confront my hon. friends with any more unpleasant facts, although I might mention others.

Mr. FORKE: Go on.

Mr. EULER: I might even mention the question of oleomargarine to show that in some cases at least our friends are influenced—

Mr. BROWN: Some?

Mr. EULER: Yes; in some cases our friends are influenced by the principle of self-interest.

Mr. ARCHAMBAULT: Ninety per cent.

Mr. EULER: It has been said, that successful statesmanship is a matter of compromise. I believe this to be the case to a considerable extent. And it is necessary, if it is at all possible, for the people of eastern Canada and western Canada to do the very best in their power to reconcile their views. It may be impossible. We have four great zones in this country—the Maritime provinces, whose natural market is in the United States, which they would like to enter, and consequently they are a low tariff people; the industrial provinces of Quebec and Ontario, which contain great manufacturing plants and whose people in very large numbers favour a tariff that will enable their industries to maintain themselves; the prairie provinces, whose interests are apparently different from those which I have enumerated; lastly British Columbia, whose interests vary again from those of their eastern neighbours. Canada is a difficult country to govern, Sir, and I should say that it is almost impossible to reconcile such conflicting views in respect to tariff laws and satisfy everybody. What appears to me to be extremely regrettable is the atmosphere of suspicion that exists on the part of the East towards the West and, if I may say so, on the part of the West towards the East. I fear—and my friends will correct me if I am wrong, for it is merely an impression I have formed—I fear our friends in the West have come to the conclusion that the manufacturer of the East has been making unduly large profits at the expense of the consumer, and

that he has no consideration for the difficulties of the westerner. I do not believe that is a correct conclusion. On the other hand, I fear that the manufacturer of eastern Canada—and I know whereof I speak—has formed the impression that the western free trader or low tariff man cares not one jot or tittle whether the industries of eastern Canada survive or not. I think they are both wrong, and I would urge upon both parties to try and get the other's point of view in an endeavour to reconcile their differences, else I do not see how Canada can survive or prosper as a nation. Surely it must be possible, as in the past, to have a great agricultural industry prosper along with a flourishing manufacturing industry in the eastern provinces or elsewhere in the Dominion. Perhaps both factions believe that the present depression is caused by the tariff—the westerner believing that the tariff is too high, the easterner that it is too low. The hon. member for Red Deer stated that the depression existed before the war, which is quite true; but I believe also that that depression would ere this have passed away if war had not intervened.

I believe further, Mr. Speaker, that both these opinions are wrong, and that the depression, both in our urban centres and on our farms, goes a great deal deeper in its causes, than the tariff, although the latter may be a factor. We have heavy taxes burdening industry and checking enterprise; we have high freight rates, bearing not only against the grower of wheat, but also against the manufacturer or anyone else who does business; we have besides these two factors the impoverishment and disorganization of the belligerent nations in Europe, who have no longer the wherewithal to buy the commodities which we formerly sold to them, and lastly, it may be that some of our difficulties could be remedied, wholly or partly, by improvements in our financial and banking system.

Now, Sir, I am free to say that in theory free trade is an absolutely sound proposition; but I would repeat—in theory. If, for example, all the peoples of the world were homogeneous, if they spoke the same language, if there were no international boundaries, then I think we would have the ideal condition under which trade would flow in its natural channels. The manufacturer, I would judge, would go where he could most efficiently operate his plant, having regard to raw material, labour, transportation facilities and markets. But that is only a theory, and for my part I am expected to deal with facts and conditions as they are. We have tariff walls all about Canada. Practically every civilized nation in the world has tariff protection. The United States has a very high tariff; the other day, as I said before, they increased the duty on Canadian wheat to 42 cents a bushel. The hon. leader of the House (Mr. Graham) said the other day that he did not believe that "retaliation" was a good word. I am inclined to think that is true, yet I must admit that I have not attained to that complete state of sanctification, if I may say so, that impels me, when I am struck upon one cheek, to turn the other. Sometimes I am even tempted in a weak moment to say that the word "retaliation" in matters of trade is about the only word that our American friends understand and appreciate to the full.

I cannot argue effectively with the man who says that all tariffs, so far as their protective value is concerned, are immoral. I cannot quarrel with him; he may be able to make out a case from his own particular point of view. But I do say that circumstances alter cases. I want to lay it down as an axiom, and I believe that my Progressive friends will agree with me in this, that it is desirable that we should have a diversity of industries in this country. We cannot all be farmers. I agree with the member for St. Lawrence division—Montreal (Mr. Marler) when he says that we ought at least to manufacture in this country, so far as that may be possible, all the things that we consume. With tariff walls all about us I do not see how we can build up Canada industrially or even maintain the industries we have if we are excluded from the markets of our competitors while admitting them to equality in our own. That is a jug-handled condition that does not appeal to me.

I do not think, Sir, that I am open to the charge of being a high protectionist; and I am very glad indeed that when I make that statement my hon. friends opposite do not smile. But I am very much interested in the prosperity not only of the farmers of my constituency but of all the people whom I have the honour to represent in this House. I think I may truthfully say that the tariff is not an issue with the farmers of my constituency. They appreciate that their interests are identical with those of the city of Kitchener, the town of Waterloo, or the town of Elmira.

5 p.m.

Mr. BLACK (Huron): Would the hon. member make that statement with reference to the whole of rural Ontario?

Mr. EULER: I make it only with regard to my constituency, but the conditions would probably be found similar throughout other parts of Ontario. If for any reason, whether it be tariff or otherwise, it should come about that the industries of the city of Kitchener, we will say, were destroyed, the result would react to the detriment of the Waterloo county farmer just about as much at it would to the resident of the city of Kitchener, because the market for much of the produce of the farmers there is in that city.

While I believe in a tariff; while I believe in a tariff for revenue and in a tariff that will maintain legitimate industry, I would not for a moment place any premium upon inefficiency on the part of the Canadian manufacturer. The Canadian manufacturer who takes refuge behind the tariff when he is not conducting his establishment or his industry in an efficient manner should not receive any consideration from the government so far as tariff is concerned, nor should he be permitted by reason of the tariff, to make undue profits out of the people. But I do believe, as I say, in the maintenance of our industries, because I believe they are necessary to the proper development of our country, and for that reason I could not favour any action that would prejudice the interests of the people whom I represent. I cannot believe that there is any intention on the part of this government to do that, because if I remember rightly there was a statement made during the election campaign that if this party were returned to power no legitimate industry would be injured. My attitude, therefore, is this: I am not stating to-day that the tariff should be higher or that it should be lower, but I do maintain that no drastic or serious tariff readjustment should be made without the most careful investigation as to the probable results of such readjustment. I think that is a fair attitude to take. Moreover, I do not believe that any Minister of Finance, no matter how capable he may be, has the time to find out for himself exactly the conditions that would justify tariff readjustment, and for that reason I have gradually come to the conclusion that the suggestion of a tariff commission is worth trying out. I believe it would be well if a body of men, unprejudiced—I do not advocate that they should be manufacturers or that they should belong to any one class; all classes should be represented—men whom we could trust, men really capable of forming a correct judgment with regard to the situation and the condition of our industries—should make investigations and submit a report to the government upon which this House and the government itself could intelligently act. I do not say that their report or their suggestions would have to be accepted, because I realize that in the final analysis the parliament of Canada must pass upon all matters of taxation.

I do not see what there is to be gained at the present moment by the making of slight tariff changes. A policy of nibbling has never appealed to me. I have heard it stated that the Speech from the Throne indicates that the tariff will be removed or lowered on agricultural implements. I do not know what is to be done. I would not for a moment have my remarks considered as being antagonistic to the farmers because I would like to see them purchase their agricultural implements as cheaply as possible. But I doubt whether any member sitting opposite would say that even if the tariff on agricultural implements were entirely removed he would be able to buy his implements any cheaper. The tariff was slightly lowered some two years ago, and I think you find agricultural implements just a little more expensive to-day than they were before. I do not think that the difference is the difference at all between prosperity and the condition in which the farmers find themselves now, and I give my hon. friends opposite credit for sufficient intelligence to cause them to recognize that. It might have this effect,—I do not know: it might create considerable satisfaction among our western people that at last, as they would say, they were advancing in the direction in which they desired to travel. But I fear that while they might experience a temporary glow of satisfaction, in the final event there would not be a great deal of benefit.

I am not sure whether I shall receive commendation from my hon. friends for what I am going to say now—

Mr. McMASTER: Which group of hon. friends?

Mr. EULER: Those to my right, including the hon member for Brome; I do not know just in which group to place him. I am not able to understand why there should be any discrimination so far as protection is concerned, against the manufacturer of agricultural implements. I have never been quite able to see the reason for that. If there is anything in the principle of free trade I do not see why consistently, it should not be applied all along the line. As a matter of fact the tariff on agricultural implements is,

as we all know, very low, something like 10 or 12½ per cent, probably the lowest that is placed upon any commodity. That there is a monopoly cannot be maintained, because last year some twelve or thirteen million dollars' worth was imported into Canada.

I know the argument is brought that we ought to reduce the tariff on the implements of production. I have thought that over. I have not just been able to grasp the point as well as I might. Perhaps I am dull of comprehension, but I do say this, that the man who operates the plough or a binder, or who is engaged in the industry of fishing in the Maritime provinces, or who is in any way engaged in any of these primary industries, cannot follow his occupation without wearing warm clothing, boots and shoes, eat good food and have many of the other things that enter into our civilized life. For that reason, as I say, I cannot understand why there should be any discrimination as between agricultural implements and any other commodity that is manufactured in Canada. For that reason I should just like—it may not be necessary—to caution the government to go slowly in the matter. If, as I believe, no great good can come from the possible annihilation of an industry now in this country without benefiting anyone. I should say they would do well to go slowly in the matter. In a general way I should like to advocate a policy of considerable caution in a time of uncertainty and depression, lest it might easily be worse. The tariff is not perfect. I believe that the whole tariff structure ought to be overhauled. Three years ago we were supposed to have that brought about. We had a tariff commission, or a tariff committee of the government, go out through the country gathering information but nothing further was ever done. We should have a tariff commission, which might become permanent that would go out and come in with a report, and with information that would enable us to frame a proper tariff. That, if it could not be called a national policy, I might perhaps call a rational policy.

I should like, just in conclusion, to bring one other phase of the matter before the members of this House. I have thought of it a great deal and I see no solution except possibly a tariff solution of the question. I have said that I cannot argue with the man who says that the consumer in Canada is entitled absolutely to buy his commodities at the lowest possible price no matter where they may be produced. But I should like to put this situation before the members of the House, and it is not an imaginary one. It exists in

fact to-day, and is being aggravated from day to day. In the countries of Europe and Asia—to-day commodities can be manufactured a great deal more cheaply than they can be made in Canada.

Mr. FORKE: How should we get paid for our wheat?

Mr. EULER: I assume that I am too dense just to see the application of the hon. gentleman's question.

Mr. FORKE: I am sorry to interrupt, I should not have done so.

Mr. EULER: It is all right.

Mr. FORKE: We are shipping immense quantites of wheat to Europe, and we must be paid for that. What return are we going to get for the commodities we send to Europe? How are be going to get paid for them?

Mr. EULER: I am not now arguing for a prohibitory tariff. I have never done so, I am not proposing to do so now. I am placing before you a condition that confronts us, a condition with which we will have to deal in some way or other. There can be manufactured in England, in Germany, perhaps in France, I know in Italy, and in Japan, articles for from one-quarter to one-half and two-thirds of the price for which they can be made in this country. And they can be so manufactured and sold in Canada because of currency depreciation for one thing and the other—and I want to deal more particularly with it—the fact that wages are much lower in those countries. Now, I want to say here that I am not in favour of reducing the wage of the Canadian worker, and I do not say that with any ulterior motive at all. I have been a worker myself and I know that the Canadian worker is not paid too much for his toil. He is entitled to receive a wage that will enable him and his family to live in comfort, to have a few pleasures, and to lay by a bit for his old age and for a rainy day. That principle, I think, ought to receive the support of every member of the House. Now if I am right that these goods can be manufactured at an infinitely cheaper price or cost than they can be in this country, if they are admitted to Canada on an equality or without any restrictions—I will put it that way, if they can be admitted to this country without any restrictions whatever—this result will follow; that Canadian made goods cannot be sold; that Canadian factories will become idle; and that Canadian workmen will be out of a job. I am just stating the fact,

and I would like to ask what is the solution of that condition?

Mr. FORKE: I do not like to interrupt very much, but according to my hon. friend's argument Canadian goods can only be sold in Canada; there is no market elsewhere because we cannot produce goods to compete anywhere else in the world. Now, supposing we have more production than we have consumption, what is going to happen?

Mr. EULER: I think the hon. gentleman is hardly justified in stating that I said Canadian goods can only be sold in Canada. I thought I made it clear that we do sell goods and that we will continue to do so under all circumstances.

Mr. FORKE: Excuse me, that was an inference I would draw from your speech—that goods are manufactured cheaper all over the world than we can manufacture them for in Canada; consequently our Canadian manufacturers ought to have protection. Was that not your argument?

Mr. EULER: I said nothing of the kind.

Mr. FORKE: Excuse me, I thought you did.

Mr. EULER: I did not say that goods could be manufactured in all parts of the world cheaper than they could be in Canada. My point is this; I do not feel like supporting any policy that is going to place the Canadian working man in competition with the labour that lives on a lower scale in the countries of Europe and Asia.

Mr. McMASTER: Is it not true that our greatest competition in manufactures comes from the United States.

Mr. EULER: My answer to that would be that at the present moment the Canadian manufacturer is not making any particular complaint with regard to competition from the United States—I do not think so, and I have some one hundred and fifty or one hundred and seventy-five manufacturing establishments in the riding from which I come—but he does say that the competition from the sweat shops, if you like, of Europe is more than he can compete with. We have in the province of Ontario—and this may be news possibly to some of my hon. friends—we have in the province of Ontario what is known as the minimum wage law. Under that our people are compelled to pay a certain minimum wage, and that wage, paid under the provisions of an Ontario Act, is higher in many instances than the wage that is paid in these foreign countries. I believe such a law is good in principle. There is a condition I am pointing out. But for myself I must say that I am not in favour of anything that will pit the workingman of my constituency against the cheap sweat shop labour of a foreign country, where people are living under conditions under which they should not live.

I may just for a few moments, Mr. Speaker, refer to a specific commodity,—and we are always more or less interested if concrete examples are given,—and that is the commodity of boots and shoes. There are some ten or twelve boot and shoe factories in the riding I represent. To-day, because of the rate of exchange, because of difference in wages, large quantities of boots and shoes are being imported from Great Britain. The ordinary duty on boots and shoes, is I think, 30 per cent. On account of the preferential tariff, that duty is reduced to something like 17½ per cent. I do not think the boot and shoe worker is over-paid, and I believe our boot and shoe manufacturing establishments are operated efficiently. The average wage of the shoe worker in my city, and I think throughout Ontario, is something like $23 a week. In Britain the wage is in the neighbourhood of $12 or $13. Then there is a difficulty with which our manufacturers are confronted. The depreciated currency of the European countries operates against them. A suggestion has been made—and it appeals to me—that in connection with importations it would be fair, that on those goods, when they enter a Canadian port, instead of the duty being based on the depreciated currency, it should be based on a fair valuation of the commodity in Canadian territory.

I wish to say a word or two upon what is perhaps a delicate subject, the preferential tariff. It has not been mentioned to any extent. When that tariff was introduced I suppose it was for reasons which seemed quite sufficient at that time. I suppose my friends opposite are in favour of a preferential tariff on the score of sentiment. Perhaps they are.

An hon. MEMBER: Yes.

Mr. EULER: Very good. I thought possibly they were in favour of it because it led in the direction of free trade.

Mr. FORKE: Both.

Mr. EULER: The point I am trying to make is that there is no sentiment or very little sentiment in business. Trade and commerce are carried on between individuals on a basis of value for value.

Mr. FORKE: That is the principle we believe in.

Mr. EULER: And to get something for something. I say that is the principle upon which individuals trade, and I do not see any reason why nations should depart from that principle. These questions ought to be settled on their merits. I do not think there is any doubt that Britain herself deals with these questions on their merits. As my hon. friend suggested a moment ago, Britain placed an embargo on Canadian cattle, and they had a perfect right to do so, and we had no right to take offence, except for the fact that the reason that was given by them for that embargo was not the real reason. The embargo was placed on Canadian cattle ostensibly to protect British cattle from disease, but the real reason was to protect the breeder of British cattle. Last summer the Prime Minister attended the Imperial Conference at London. At that conference, as hon. members know, the former British Prime Minister, Mr. Baldwin, made a suggestion of a preference within the Empire. Hon. members all know what happened. At the elections Mr. Baldwin and all his policies were rejected by the British people. I say that only to emphasize the fact that the people of the Mother Country are legislating entirely in their own interests, and I am sure that, with the spirit of British fair play that exists there, they can have no possible objections if we legislate in exactly the same way. When I entered upon this subject, I said it was perhaps a delicate subject, and I am going to leave it with these words—that it matters little to the Canadian manufacturer, if his British brother puts him out of business rather than his American cousin, or anyone else on the face of the earth; the result is exactly the same.

I have spoken longer than I intended, and perhaps some of what I have said is entirely premature. My position finally is this, that I favour a tariff such as will assist us in the raising of our revenue, and a tariff that will enable us to maintain industries that are legitimate in every way. I hope the government will bear that in mind when framing any tariff policies they may have in contemplation.

I represent a constituency with an industrial population of thousands of people. Towards these workmen as well as the farmers in my constituency I feel a very keen sense of responsibility. My pledge to them at the elections of 1921 was to guard their interests to the best of my ability. That pledge I mean to keep according to my best judgment, and that pledge is not inconsistent with the declarations made by the leaders of the present government in the elections of 1921, that if they were returned to power no legitimate industry would be injured. And, Sir, I have no knowledge, and no expectation that this government will injure any legitimate industry, and I am making the statement only in order to make my position clear. I received, Sir, last year in good faith, and with approval the declaration of the hon. Minister of Finance (Mr. Fielding) who I wish were here, that henceforth there should be reasonable stability of tariff. I would still commend that to the government as a good policy to follow.

Mr. H. A. STEWART (Leeds): I wish to address the House very briefly on the Speech from the Throne and the amendment which has been proposed by the hon. member for South Oxford (Mr. Sutherland) and seconded by the hon. member for Peel (Mr. Charters). Before doing so let me express the regret which I feel, and which has been given expression to by other members of this House, at the absence of two very distinguished members through illness. I refer to the right hon. Minister of Finance (Mr. Fielding and the former Minister of Justice (Sir Lomer Gouin). As a new member of this House, I feel that I would like to be able to look up to those two experienced gentlemen for example and for precept as to what should be done; and while we have many other members who are equally dignified and experienced, I believe that we cannot have too many of that type in this House. I sincerely regret their absence, and hope for their speedy recovery and early return.

I also wish to congratulate the mover and seconder of the Address on the manner in which they performed the difficult task entrusted to them. Referring to the Speech from the Throne, this is the third which has been presented to the House since the advent of the present government. The first one, as I recall it, called attention to the fact that Canada has suffered less from the effects of the war than any other country which has been involved in it. The second referred to the progress which Canada was making along commercial lines, and the third emphasized the same feature. Surely then, if we accept these statements, we must come to the conclusion that Canada is indeed prosperous. That is the impression which the government has sought to convey through the Speech from the Throne, in each of the sessions of parliament. Unfortunately, however, I fear, a careful analysis

of the situation will force us to the conclusion that there is not that measure of prosperity which we would desire. When we listen to the speeches of the members of the group to our left, who have a right to speak for agriculture in this country and who have spoken with no uncertain sound, we have no doubt whatever that agriculture in Canada is not prosperous, is not successful at the present time. When we listen to the speeches of business men, men engaged in different lines of manufacture and in other lines of industry, we also come to the conclusion that they are having their difficulties and that Canada is not as prosperous as we would desire it to be. It is all very well for us to say and to feel that we should be optimistic; but when we meet here in order to legislate and to deal with conditions, we should not deceive ourselves; we must face conditions as they actually are, even though they be not as we desire to have them, and we must act accordingly.

The first matter which I desire to deal with and which is referred to in the Speech from the Throne is the necessity for a reduction of taxation. I think it is generally agreed that that is very desirable. I wish to quote an extract from an editorial which appeared in one of the Ottawa papers recently and which expresses very accurately my views upon the situation in regard to taxation:

> Mere tariff tinkering for purposes of geographical politics will not satisfy the public's demand for decreased taxes. What Canada wants is a lower sales tax and, if possible, a lower income tax. The existing income tax was justifiable during war and post-war expenditures, but with these receding, and with the United States slashing its income tax, the Canadian levy should be lowered. This country in fact cannot afford to have taxation much higher than taxation in the United States. The plain reason is that capital and people always gravitate toward low taxation and low living costs, and when a country which has these things borders our own for more than three thousand miles the consequences to Canada are likely to be grave.
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> These consequences have been evidenced already. They are witnessed in a Canadian emigration to the United States that simply nullifies our immigration, and which, to state the stark truth, constitutes one of the gravest of our immediate problems.
>
> That drain will not be dammed by a political adjustment of the tariff. If anything, it will be increased by any policy that subjects Canadian manufacturers to stiffer competition and makes for Canadian unemployment.
>
> Eastern Canada, which is about to be led to the altar as a sacrifice to Liberal propaganda in the West, should make its voice felt in no uncertain terms. It should remind Mr. King that what it wants is not fiscal manoeuvring, but a lessening of real taxation burdens coupling with its reminder a perhaps necessary hint that the balance of political power in this country is still east of the lakes.

That expresses a very clear and well defined request for lower taxation in this country. The income tax is undoubtedly very burdensome and troublesome and is causing much dissatisfaction and hardship amongst our citizens. I sincerely hope the government will be able when the budget is brought down, to assure this House that the income tax will be substantially lowered; that it will not be so rigid; that provision will be made for further items of deduction from the gross income as it is now ascertained.

As regards the sales tax, I am sure the government files must be very bulky with the protests and objections that have been received in connection with this tax. The government will surely try to find some way of giving relief from a sales tax of 6 per cent which has been such an important element in increasing the cost of living and against which there has been such a volume of complaint. Unfortunately, the Speech from the Throne does not definitely promise any relief in this direction. I would suggest that the government seriously consider the abolition of the sales tax and the substitution of a moderate turnover tax, which would bring in the revenue which is required, which could be easily collected, and which would not be found burdensome and such an important element in increasing the cost of living, as the present sales tax.

With further reference to the income tax, let me quote a portion of an article which appeared in the Montreal Gazette of Tuesday, March 4, last. This deals in particular with the necessity for the revision of the income tax when one considers the action that has been taken by the United States:

> The United States House of Representatives has changed the scale of income tax reduction, and the tax revision bill as received in the Senate departs in important particulars from the plan set forth by the Secretary of the Treasury, Mr. Mellon. The maximum sur-tax rate which was to have been cut from fifty to twenty-five per cent under the Mellon proposals, stands at a maximum of 37½ per cent in the bill as it left the House. On the other hand, the reduction in normal rates is greater than was proposed by Mr. Mellon, and the House has made changes in other taxes which were not on the treasury programme, finally approving the bill on a vote of 408 to 8. Canadian interest in the progress of this measure is by no means academic. Every change that makes the burden of taxation lighter in the United States reacts upon this country; it attracts Canadian citizens, and it places the Dominion in a disadvantageous position as a field for investment of capital. An exceptionally capable business man expressed the opinion recently that the Canadian income tax should be cut in half, at least, on national grounds. "I believe," he said, "that many enterprising men are refraining from going into new ventures by reason of the excessive income tax they must bear in each enterprise they undertake." Other financiers and industrial leaders have said the same thing. It was said in Great Britain and the view so expressed became a principle of administrative policy; drastic economies were effected and taxation was reduced. The United

States has pursued and is pursuing the same course, has reduced expenditures and is now reducing taxation. The Canadian government appreciates the need of a reduction in taxation—and proposes to cut the customs duties on the farm implements. The contrast is not comforting.

If the tax revision bill becomes law in its present form—which represents a Republican compromise—the income tax rates in the United States will be substantially lower than the rates payable in this country.

A little further on:

The loss of revenue in the United States through these proposed reductions is estimated, unofficially, at $460,000,000, yet the United States government and Congress believe the change will be profitable to the nation as well as to the individual, the point being that this huge sum of money will be turned back into the industry, trade and commerce of the country and that the resultant prosperity will be reflected in larger revenues from other forms of existing taxation. The step is a drastic one and its effect will be felt in this country unless some measures are adopted which will confer a corresponding advantage upon Canadian industry and commerce. Lowering an already low tariff will certainly not do it, particularly while the loss of protection is accompanied by heavy direct levies; industry, by that process, will be both starved and choked. A government less dependent on Progressive support—which is, apparently, a marketable commodity—might meet this situation by so adjusting the tariff as to provide the industries of the Dominion with the protection which they require, and by reducing concurrently the income and sales levies. We have not got that kind of a government, and developments which are taking place in the United States are, therefore, the more disturbing.

These two editorials reflect, I think, in a fair measure the attitude of the public regarding these matters.

Now, I want to deal for a moment with the speech of the hon. member for North Waterloo (Mr. Euler), particularly with reference to the tariff. Let me first congratulate the hon. gentleman. He always gives to the House a great deal of information and he has done so on this occasion. I notice, however, that in dealing with the tariff he was very careful about the position which he should take, and he was quite circumspect in the words he used in stating his point of view. He said that the Speech from the Throne made only one reference to the tariff, but it seems to me that he has overlooked another paragraph which I am sure every member of the House who heard the Prime Minister (Mr. Mackenzie King) must regard as also referring to the tariff. That paragraph reads:

In the opinion of the government, such reduction of taxation as it may be possible to effect should aim primarily at reducing the cost of the instruments of production in the industries based on the natural resources of the Dominion, thereby aiding materially in the development of our natural resources, and, through cheapened production, effecting a diminution also in the cost of living.

As the Prime Minister interpreted that section of the Speech to this House, I do not think that anyone could gather from it any other impression than that it was intended to outline and forecast a reduction in the tariff upon agricultural implements. If that interpretation be not correct then we should have from the government benches a very plain declaration in that direction; and it would appear that the hon. member for North Waterloo, in his references to the tariff, has overlooked both the statement of the Prime Minister and that particular paragraph in the Speech. The hon. member in referring to the tariff was very cautious; he stepped up to it, he stepped away from it, he stepped around it, he stepped over it, but he did not step very hard upon the proposed reductions. He seemed to me scarcely to believe that there would be any reduction in the tariff on agricultural implements. If that is the case his interpretation of the proposed action of the government is different from the construction put upon it by the people of Hamilton; he interprets it differently from the people of Brantford; and he interprets it, I believe, differently from the majority of the members of this House. I wonder whether a smoke screen is really being put up to enable the government to retreat from the interpretation which it has placed upon this matter and which is causing so much protest in the country.

The position with regard to the tariff is one upon which we should all be prepared to speak freely and openly; and for my own part I have no hesitation whatever in most vigorously protesting against any reduction on agricultural implements. I say that with a full sense of the responsibility involved in taking that position, and after hearing all that has been said in favour of a reduction by members of the group on my left. As has been pointed out, the tariff schedule on agricultural implements is very low—in fact, it is the lowest, running from ten to fifteen per cent—and any further reduction would undoubtedly hamper, and probably put out of business, those manufacturers who are engaged in that industry. I am satisfied that it would result in no ultimate benefit to the farmers. If hon. members doubt that, let them review the results that attended the abolition of the duty upon binder twine which, when placed upon the free list, soon went up in price and ultimately cost more than when it was manufactured in this country under a reasonable, protective tariff. I am of the opinion that the tariff does need revision, but in many respects I think it needs a revision upward instead of downward; and I think it is in need of an upward revision particularly in the

interests of the farmer, and also of some of the manufacturers, of Canada. The Prime Minister and others have dwelt on the advisability, the importance and the necessity of uniting the eastern and western sections of this country. We are all agreed on that; we all hope that it will be accomplished. But let me suggest that we will never unite eastern and western Canada by destroying the industries of eastern Canada, no matter whether that destruction is carried out piecemeal, destroying one year the woollen industry and the next year the agricultural implement industry, or whether it is accomplished in a wholesale way. What I say is that to-day, in view of the high tariffs which are in force against Canada, the Canadian tariff should be raised in many respects. Let us look for a moment at our imports from the United States. Our total imports for the year ending January 1924 from the United States reached the enormous sum of $606,000,076 while our exports to that country for the same period were only $422,000,000 in round figures; and out of that $422,000,000 the sum of $225,000,000 was made up of exports of wood and paper. So that although we have this very large and populous nation to the south of us, our exports to that country of all kinds are very much less than our imports. Let me give the House a comparison of some of these duties upon agricultural products in the two countries. The Canadian duty on eggs is 3 cents a dozen, the American 8 cents; on butter 4 cents and 8 cents a pound respectively; on fresh meats 2 and 3 cents, and 3 and 4 cents per pound respectively; on cheese 3 cents and 5 cents per pound respectively; on wheat 12 cents and 42 cents a bushel respectively; on wheat flour 50 cents per barrel and $1.04 per hundredweight respectively; on hay $2 and $4 per ton respectively; on apples 90 cents per barrel and 25 cents per bushel of fifty pounds respectively. These figures show a very serious discrepancy between the Canadian and American duties, a discrepancy that is operating to the detriment of our farmers, which can be proved by the large imports of butter, cheese, fresh fruits, bacon and other commodities from the United States. For instance, in 1924 we imported butter from the United States to the value of $624,675; cheese, $224,778; fresh fruits, $17,409,355; bacon and hams, $844,005; fresh vegetables, $3,526,174; eggs, $2,243,263. On the other hand, our exports of these commodities to the United States were very much smaller. Therefore I contend for a revision of the tariff upwards, particularly of the duties upon farm produce.

With respect to the amendment proposed by the hon. member for South Oxford (Mr. Sutherland), I like it because it affirms faith in Canadian industry and declares for the principle of moderate and reasonable protection—a protection which will enable Canadian industry to live, which will recognize our manufacturers' right to continue in business, and which will provide employment for Canadian labour, a home market for our farmers, and will increase our railway traffic. All these advantages follow as the inevitable result of a reasonable and moderate tariff, and I cannot agree with the hon. member for North Waterloo (Mr. Euler) that we should be content to "wait and see"; I do not think any opportunity should be lost of impressing upon the government the necessity of maintaining the tariff and the inadvisability of making any reduction at the present time.

Now, Mr. Speaker, what is the position of the government? Every session a number of pledges have been given to the House and the country, but unfortunately those pledges have not been fulfilled. As a matter of fact, the government has retreated from the solution of every great national problem, no matter whether that problem was one of its own making or came to it from other sources. Take immigration for instance. The exodus from this country to the United States is truly alarming. The government has pointed out that immigration ceased during the war—something that could not possibly be otherwise, and the late government is surely not to be criticized for that cessation. Our friends opposite have also said that it was difficult to start the machinery of immigration after the war. I think the fact is that never in the history of Canada was it so easy to get a good class of immigrants as since the declaration of peace. Never has there been such a migration of the people of Europe, never has there been such unrest there, that unrest bringing with it a desire to move to the New World. In fact the British government has been endeavouring to provide homes overseas for her surplus population. I submit therefore that the government has lost the best opportunity that any adminstration ever had in our history to secure select and desirable immigration. Not only has it failed to rise to its opportunities in this respect, but it has failed also to prevent the exodus of our people to the United States. The figures were given last week by the leader of the opposition, showing an increase to about sixteen thousand a month during the past year. The rapidly rising tide of emigration of our best stock to the republic is reflected in the

figures from the Bureau of Statistics dealing with settlers' effects exported to the United States. For the twelve months ending January, 1923 their total value amounted to $6,420,026; for the ensuing twelve months to January, 1924 I find the greatly augmented total of $9,669,731; while for the month of January alone, this year, settlers' effects were exported to the value of $559,198. So there is no diminution in this exodus southwards, and I submit, Mr. Speaker, that it will not be checked by the intimation in the Speech from the Throne that a further reduction in the duties on manufactured goods is contemplated. Instead of causing these Canadians to return to the Dominion it is likely to confirm their lack of confidence and aggravate their embarrassment, and must of necessity react very much to the disadvantage of Canada. Then the promises of reduction in taxation, of strict economy, of a balanced budget, of civil service reform—all these promises I am afraid will be of little avail to counteract the lack of confidence which our people have in any pledges of this government ever being redeemed. Each issue of promises is worth less than the preceding one and declines in value as rapidly as the German mark.

What is the actual position to-day of the government? They appear to have dropped their financial pilot, to have abandoned the policy of stability which he so well enunciated in his budget speech last session; the compass is not working; the chart has apparently been lost; there seems to be disagreement and threatened mutiny among the crew; the political fog is thickening, and the ship is drifting towards the rocks of defeat. And in the opinion of a constantly increasing number of our people, including many of the former friends and supporters of the government, the sooner the wreck occurs the better.

On motion of Mr. Raymond the debate was adjourned.

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

Thursday, March 13, 1924

The House met at three o'clock.

REPORTS AND PAPERS

Report of the Ottawa Improvement Commission for the year ended March 31, 1923.—Hon. Mr. Robb.

[Mr. H. A. Stewart.]

Financial Statement of the Royal Society of Canada.—Hon. Mr. Robb.

PRIVILEGE—MR. IRVINE

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): Mr. Speaker, I rise to a question of privilege. I would like to draw the attention of hon. members of this House to a despatch from Montreal, which appears on the front page of this morning's Ottawa Journal, giving a report of a speech I made there last evening. This report represents me as saying:

> Canada's government is like a Ford automobile, and the opposition is like a spare tire, all blown up with wind.

Further on the report says:

> We have enough ignoramuses in parliament, and if we cannot send any better we might as well not send any at all.

I wish to say, Mr. Speaker, that while I do not charge this reputable newspaper with wilful misrepresentation, nor do I wish to impute any malicious intent to the report, yet I do wish to say that I have never on any occasion discussed the personnel of this House; and I wish to say also with regard to the illustration which I gave, that it is perfectly correct; but it was not applied to this government, nor to this opposition, it was applied to party government in general.

GRAND TRUNK GRATUITIES

On the Orders of the Day:

Mr. W. J. WARD (Dauphin): I should like to ask the government whether a commission has been appointed, as promised by the Prime Minister at the last session of this House, to investigate all the circumstances and conditions connected with the payment to certain officials of the Grand Trunk and Canadian Northern railways of sums amounting to some $400,000, these gratuities being voted by the officials concerned to themselves just previous to their transference to the National railways on retirement; and if such commission was appointed, whether its findings have been communicated to the government; and, if so, what its conclusions were.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): In reply to the question of my hon. friend, I may say that I did not catch all that he said, but a commission was appointed to investigate certain matters relating to the gratuities to employees of the Grand Trunk, and other matters. That commission has reported, and I shall have the pleasure in a few days of laying that report on the Table of the House.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

Consideration of the motion of Mr. Kelly for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed amendment thereto of Mr. Sutherland, resumed from Wednesday, March 12.

Mr. W. G. RAYMOND (Brantford): Mr. Speaker, the ground of this debate has been pretty well covered and anything I may have to say will probably be a repetition of what has been said. However, there is a paragraph in the Speech from the Throne that appears to me rather ominous and threatening to the industrial interests of the constituency that I represent. One reason why I delayed speaking was that I had hoped that there might be some word of explanation from the government which would make the situation appear a little more definite. However, this phrase has been translated to mean—not only in my constituency, but over this country generally—that it is the intention of the government to remove the tariff duty on agricultural implements. I wish to say in this connection that, whatever else may be my duty in this House, I esteem it my first and most particular duty to represent faithfully the views of my constituents, and in doing that, Mr. Speaker, I must take a firm stand against any further reduction of the duty on agricultural implements, considering the fact that that duty has been reduced several times. A little later we will go into the question of what the duty has been in the past, and we shall find that it is lower now than it has ever been; and I take it that the present duty should be considered an irreducible minimum; I shall be firmly opposed to any further reduction. I wish to say—and I hope I make it plain enough—that no personal or party reasons will cause me to swerve from that determination. My constituency of Brantford is one that is perhaps not known to many hon. members of the House. But I know that those who know it, love it. When the hon. member for Cumberland (Mr. Logan) waxed eloquent regarding the beauties of Nova Scotia and made this House resound with his eloquence in praising the Annapolis valley and Acadia, I said to myself: What would he say if he had ever seen Brantford? There are certain things with which each town or city is apt to become identified. We know that when, for instance, cotton is mentioned, the mind at once turns to Manchester; if silk or velvet, to Lyons; if lace, to the capital of little Belgium; if cutlery, we think of Sheffield; but when agricultural implements are mentioned the world over, the eye and mind naturally turn to Brantford. Brantford has been the home of the farmer's toolmaker for more than half a century, and it has produced for the farmer those implements with which he has been able to carry on his business. That is why I said, in a former address in this House, that I think the manufacture of agricultural implements should be considered a key industry in this country and so treated by any and every government. The fertile soil of our far flung, fenceless prairies, the stubborn veldt of South Africa and the distant pampas of Argentine, are all ploughed with ploughs manufactured in Brantford. The harvests of Australia, India and sunny France, as well as of this country, are reaped by harvesting machines made in Brantford. Wherever agricultural implements manufactured in Brantford have gone, they have carried the name of Canada honourably and nobly to every part of the world. So that naturally one can understand that any, and I believe every resident of Brantford, when he sees an attempt made to destroy the vital industry, the industrial life of that community, feels rather sensitive on the point, and is willing to do everything in his power to resist such an attempt. From the time of the publication of the Speech from the Throne, the city council of Brantford have passed strong resolutions. I will not take up the time of this House by reading long extracts from newspapers, although I could spend a considerable time in that way if such was the desire of hon. members. The chamber of commerce and the trades and labour council have also passed very strong resolutions, all expressing the hope that no further reduction will be made in the duty on agricultural implements.

When His Excellency uttered those words, I was unable to catch his eye, or he might, perhaps have given me a word of explanation. But I know he has been to Brantford and I know he loves Brantford; I know he would not do anything to injure Brantford. Moreover, he graciously deigned to spend a few days in the homely dwelling of one of our plough-makers, and I do not think he would return his hospitality in the way suggested in the Speech from the Throne. You may have noticed that he said that it was the government. I am loath to think that the Prime Minister (Mr. Mackenzie King) would do anything against the interests of Brantford. In this resolution that was brought before the city council, it is stated that when the Prime Minister was in Brantford before the election, he made a promise and a pledge to the people that if he were returned to power, no legitimate industry should suffer. Consequently,

we cannot, upon present evidence, condemn the Prime Minister but we shall not forget his promise. The government, as I understand the matter, is responsible; but I do not wish, until the budget is brought down and the exact condition is before us, to condemn the government, nor to take it for granted that it is going to enact any legislation that will injure Brantford. The government has often been likened to the ship of state, the chart and compass, and so forth, and I have always had rather a liking for nautical terms and similes; hence I cannot help thinking that, perhaps, on this occasion, when the ship of state is sailing and choosing the middle way between Scylla, the rock of high protection on the one side, and Charybdis, the whirlpool of free trade on the other, it seems as though it had on board a pilot who was taking it just a little too near to Charybdis. It is the pilot I am going to blame, and I say that if the government have on board a false or a wrong pilot, if they are taking advice from a man who really does not know the coast they are on, they had better drop him, get rid of him, and strike for the open water, if they want to be safe. I utter this remark in the most friendly spirit to those hon. gentlemen who are on the ship of state; but I would say this: When vessels are sailing in a convoy, if it so happens that the leading ship should drift into the whirlpool or upon a lee shore and, therefore, be wrecked, is it, in such a case, the necessary duty of every little vessel that is sailing in the convoy or squadron to follow her to destruction? I think it would seem rather that discretion should be used by each captain for the safety of his own ship. As regards my constituency of Brantford, I cannot make you understand, Mr. Speaker, because that would take too much time and I have not language at my command; but there exists between me and that constituency a different kind of feeling from that which exists between any other hon. member in this House and the place which he represents, a feeling of grateful affection that makes me feel I should be doing a wrong, an indescribable wrong, if I did not stand here four square for the interests of Brantford, and that is what I intend to do under the circumstances.

With regard to the constant changing of duties, the constant moving of the tariff, the people of Brantford, the manufacturers throughout this country, have not forgotten that we were told last year by the Minister of Finance (Mr. Fielding), that there was some hope of stabilising the tariff; that he said that instead of having it going up and down and changing, a little off this one year and a little on that the next, it was his object to make it more stable, and that it would be more satisfactory under that condition to the business interests of this country. We know that would be more satisfactory to the business interests of this country, and we know that now even this hint that has been passed out in the Speech from the Throne has had the effect of paralyzing business and discouraging capital, it has thrown many places, besides that from which I come from, into a turmoil of apprehension at what may come down in the budget. Just exactly why agricultural implements should be again singled out passes my comprehension. Some say there is a political reason, and that suggestion has been discussed generally throughout the country by the newspapers. It is said that for certain reasons that particular industry should be sacrificed to the good, at all events, of a large section of the community. In this connection I thought it was refreshing to hear the words of the hon. member for Brandon (Mr. Forke), the leader of the Progressive party. I hope they impressed themselves on the mind of every one of his followers and indeed of every hon. gentleman in this House. The hon. member said that the only sure basis of national unity was equal justice to all, and I would ask him never to forget that.

Some hon. MEMBERS: Hear, hear.

Mr. RAYMOND: Those gentlemen who applaud that statement will, I hope, bear it in mind. I am always glad when Britons applaud the name of justice, for I think it is the main thing; and if those gentlemen mean anything by the words they use they must mean that they will never destroy one industry for the benefit of another. The leader of the Progressive party (Mr. Forke), in his first session in the House two years ago, uttered a similar sentiment, and I was glad that he did, he said he believed in special privileges for none and equal justice for all.

Some hon. MEMBERS: Hear, hear.

Mr. RAYMOND: I am glad to hear hon. gentlemen applaud again, and I should like them to explain, when it comes to their turn—I do not want them to explain it exactly at this moment—what kind of equal justice they think it would be if one section of the country enjoyed free trade while the rest of the country was under the bonds of protection. I want to be consistent and I want to see hon. members consistent, and in endeavouring to be so I hope I shall be at least as consistent as that free trader who wants to have

agricultural implements on the free list while at the same time he will not allow the workmen of the country, the mechanics and the labourers who are toiling in production, to use oleomargarine. Hon. gentlemen would prohibit the import and sale of this article and they would make its manufacture in this country an offence. And they try to excuse this attitude by their adoration for the cow. I have heard gentlemen express themselves, in veneration of the cow, in terms that would have done credit to a Hindoo worshipper of that animal; but I do want to put a plain proposition to those gentlemen: What would they think if they heard David excusing his cowardly murder of Uriah by pleading his passionate love for Bathsheba? Believing however, as they do, in equal justice, I hope that justice will characterize the legislation that they will support.

Now, the agricultural implement industry is one that has not been profitable. It has been shown, and I think it has been stated on the floor of the House, that one of our largest firms in Canada, the Massey-Harris Company lost some three years ago, $1,200,000, two years ago, some $640,000, and this year $370,000. So that if that is a legitimate industry it can hardly be claimed to be making a profit at the present time. And when farmers tell us that they are not in a position to purchase agricultural implements, I ask, what benefit will anyone derive from taking off the duty and letting more American implements come in? There is another great industry situated in Hamilton. While, of course, Brantford is the chief centre of the agricultural implement business, there are agricultural implements made in some fifty other places in Canada, and there is a large factory in Hamilton which has been established there for some years. During the last ten years, taking an average one year with another, beginning with the year 1913 and running up to 1922, both inclusive, the profit they have shown on their capital invested has been less than three per cent, per annum. In view of these facts, therefore, I do not think it can be claimed that any exorbitant profits are being made to-day or have been made within the last few years by the agricultural implement industry in Canada. As a matter of fact, our factories in Brantford have largely been closed; they have been running on very short time for the last three years. Some of them have been running lately, and I am glad to say that the factory of the Massey-Harris Company, which has not been going steadily for the last year, has benefited by the French Treaty that was made by the Minister of Finance (Mr. Fielding) and the present Minister of Justice (Mr. Lapointe) last year. By means of this treaty these manufacturers were able to get favourable treatment for their implements in France, and they have employed in the last year some nine hundred men, although regularly they should be employing fifteen hundred.

Now, I do not think that it is either necessary or advisable to go into the whole list of the losses of these industries. The fact is that they have suffered serious losses, and the men whom they have not been able to employ have naturally gone over to the other side. And the danger of that is that when our mechanics go across the line—and thousands have gone, not only from Brantford but from other cities as well—when hard times overtake the industries in the United States there is a return of workmen to Canada, and it is not the most skilled mechanics that return. The artisans that work in our factories, in other words, are combed out to supply the labour market in the United States, and when any workmen are to be laid off there it is the unskilled class who are dismissed; for the American manufacturers know a skilful man when they find him, and they keep him. The skilful men are not apt to come back. I do not think it is fair to give all the experiments, if we may use that term, in free trade to one industry or one town. I do not regard this as a question exactly of free trade or protection; I do not look upon it in that way. The question of free trade and protection has been argued in this House for fifty years. It began some fifty years ago when the government—then a Liberal government—raised the tariff, which was 15 per cent, to 17½ per cent, and they were accused by the Conservative party of that day of being protectionists. When the tariff was raised in 1874 from 15 per cent to 17½ per cent there was this about it: it was levied fairly, honestly and equitably as a revenue tariff on the goods imported into Canada. It was not a lopsided tariff that admitted some goods free while putting a duty on others, there was no class favoured in the levying of that tariff; whereas the intention now seems to be to favour a certain class in the levying of the present tariff. All goods came in on a revenue basis and paid alike.

Now, let me tell the House a little of our history in Brantford during the last few years with regard to the duty on agricultural im-

plements. Just before the slump came in the price of agricultural products, 5 per cent was taken off the duty on ploughs and binders. This reduction was made for the benefit of the farming population, and naturally it was opposed by the manufacturers, but without effect. At the same time tractors were made absolutely free. As a result two tractor factories went out of business in our city. Since that time a cream separator factory has also gone out of business. When, some two years ago, there was a further tariff reduction of 2½ per cent it was felt to be very serious at a time when the farmers were not buying, when business was not good, when the agricultural population of the West said they were not in a condition to buy, and it was very difficult to see whom it was expected to benefit by the removal of the duty. It was hoped then that that would be the last slice taken off the tariff. To-day agricultural implements stand at the very bottom of the list, having the least tariff duty of any manufactured article in this country, averaging between 10 per cent on harvesting machinery and 15 per cent on plows. When that is the case can any further reduction be justified? Would it not be a fatal blow to the industry? Before that blow is struck I feel it my duty as the representative of Brantford—and I hope the representatives of other constituencies where agricultural implements are made will join with me—to resist to the extent of my power any further cut in this duty.

I do not think, Mr. Speaker, that the condition of the western farmer is always attributable to the price of agricultural implements or the duty thereon. I am sure there is no man in this House, I do not care what his business is or where he comes from, that has a stronger or more active sympathy for the farmers in the West than I have.

Some hon. MEMBERS: Oh, oh.

Mr. RAYMOND: Well, it seems odd that some hon. gentlemen by the slight noise they make should doubt my word. I hope, however, that as time goes on they will see that I really believe in what their leader says, that the basis of national unity is equal justice; and I say that those who claim more than equal justice—mind you, those who claim for themselves through a selfish interest, or any other interest, more than equal justice to themselves—are doing an injury to our national unity. Yes, I have always felt my heart touched when I have heard of the hardships of the western farmer. When I have heard of a farmer being hailed out until there was positively nothing left upon the land for him to reap, the only thing standing there being his harvesting machinery, it has occurred to me: What a great benefit it would be to him to take the duty off agricultural implements. When I have heard of a grasshopper plague in the West that has stripped the land of vegetation, I have thought at once: What a panacea it would be for getting rid of them, to take the duty off agricultural implements. When whole sections have suffered from drought, the answer has always been: Take the duty off agricultural implements—the one panacea for all the farmers' troubles is: Take the duty off agricultural implements! Now, Sir, do you think it would be effective? Do you think that if that duty were taken off the farmer would be satisfied? I remember one experiment when the right hon. leader of the opposition (Mr. Meighen) made tractors free just a little before the last election. I think the result ought to show the gratitude of the farmer.

Mr. MEIGHEN: The hon. gentleman is a little out in his time. The duty was taken off tractors just a little after the election, not before.

Mr. RAYMOND: I beg your pardon, Sir, but I referred to the election of 1921. The duty was taken off just before that election.

Mr. MEIGHEN: It was about four years before.

Mr. RAYMOND: It was in 1919; that would be two years before.

Mr. MEIGHEN: It was in 1918.

Mr. RAYMOND: I think most farmers would remember for two years. If they have any gratitude at all it should last that length of time.

Mr. MEIGHEN: The hon. member will understand that I am not disagreeing with him on the question of gratitude.

Mr. RAYMOND: It is on the question of gratitude or appreciation that I am speaking. I say if the duty were still further reduced, even if it were all stripped off, there would still be something else to complain of—and we know there are many other things—and I do not think it would appease all my friends opposite; it might some, but not all. There is rather a homely little illustration given of a mother trying to teach her child appreciation of where things come from, and if it seems too homely perhaps hon. gentlemen will bear with me while I describe it. A little boy had a religious mother, and she was teaching him his prayers.

Mr. FORKE: Speak up. The story is too good to miss.

Mr. RAYMOND: Perhaps my hon. friend knows the story. The little boy had a religious mother—and I have no doubt the hon. leader of the Progressive party (Mr. Forke) also had a religious mother—and she wanted to teach him to be properly grateful for what he received. He was very anxious to have a drum. While she was teaching him his evening prayer he punctuated each line with "I want a drum, I want a drum." His mother began the prayer:

Now I lay me down to sleep—
("I want a drum")
I pray the Lord my soul to keep.
("I want a drum")
If I should die before I wake—
("I want a drum")
I pray the Lord my soul to take.
("I want a drum")

After the little boy fell asleep she got a drum and put it by his side, thinking that when he awoke he would be duly grateful. In the morning the little fellow opened his eyes, and on seeing the drum exclaimed. "Where the devil did that come from?" I understood the leader of the Progressive party to say he was familiar with the story, and I hope he will prove more grateful for tariff favours than the little boy was for the drum.

But I think there is even a more serious question—the question of national unity is involved. We have been told that a very serious condition exists in this country, particularly in the West, and that unless something is done there may be secession from confederation. Well, Sir, I am one of those who think that confederation is a great monument to the wise statesmanship of our political leaders, and I for one would be very, very sorry to see it destroyed or weakened by what we may term the interests of any one section of the Dominion, because I believe that the real interests of all the provinces were furthered by those who brought about confederation. I believe those interests can be so amalgamated and welded together that whatever real grievances may exist can be done away with by a little give and take. I think the gentlemen from the West can be satisfied. But when they speak of secession and of doing away with national unity—the basis of which, we must always remember, is equal justice—they must bear in mind that their fellow-Canadians who are engaged in the manufacture of agricultural implements will not consider that they have received equal justice if their industry is destroyed and other industries are still allowed the benefits of protection. Are my friends opposite willing to strip away all protection? Do they want to have entire free trade for the country, or do they want it only for the implements which they themselves use? That is the question. When it is reduced to a matter of dollars and cents there is many an honest farmer in the West who pays more taxes on the tobacco he uses than he does on the whole outfit of his agricultural machinery. I believe that some of their confreres in the western States are for treating tobacco as they would treat oleomargarine; they wish to ban it, to keep it from the country, to teach us that it is wrong to manufacture, buy, sell or smoke it. What would they do, then? What taxes would be collected from the western farmer if he used no tobacco and had free agricultural implements? I think there would be very little, Sir, because we know as a matter of fact that out of $46,000,000 collected from the personal income tax the farmers of this country pay less than 2 per cent.

Mr. GOULD: There is a reason.

Some hon. MEMBERS: Explain it.

Mr. RAYMOND: Well, with your reason I hope you will always couple justice; as long as you do that you will be all right. There can be no justice when all the demand is on one side only. The argument and the attitude of some others is absurd, who, as I say, by way of effecting a cure for hail, for drought, for grasshoppers and so on, want the duty taken off agricultural implements, but who at the same time want the Hudson Bay Railway. How will you pay for it? Why, take the duty off agricultural implements! They want branch lines in the West; how will they pay for them? Why, take the duty off agricultural implements! That is about the basis of reasoning, not by hon. members opposite but by those who, I think, inspire them to some of the utterances that they make in this House.

I do not wish to keep the House very long, but there is just another point I would like to make, and it is this: There are these various demands from the West—the St. Lawrence waterway, the Hudson Bay Railway, branch lines, and many other things. What could have been done for them by the government has been done in the way of the Wheat Board, the suspension of the Crowsnest pass agreement, the cheapening of rates as far as possible. All these things have been done, but still, to use an expression of Shakespeare's, the only effect is to make our friends act—

As if increase of appetite had grown
By what it fed on.

Mr. Speaker, you may have read something which I saw recently in the newspaper, because one can find anything in the newspaper that is not beyond the ken of human imagination. It was the story of a bear. I would not swear whether it was the Manitoba black bear, the barren lands grizzly, the Saskatchewan brown, or one of those tremendous grizzlies from the foothills of the Rockies in Alberta, but it was a bear that was apparently very hungry and rapacious. There he was with his large white teeth glistening, his tongue lolling out and his mouth watering. A little boy was feeding him candy. The boy gave him one; the bear swallowed it, and as he did so his tongue lolled and his mouth watered more and more. The boy threw him another candy, and the bear's eyes rolled and he behaved generally in the same way as before. In fact, the bear seemed to get more and more hungry with every piece of candy he got, and finally when the boy had no more candies to throw to him, the bear gobbled him up—and still his eyes rolled, his mouth watered and his tongue lolled out, not I suppose, with a desire to get more candy, but with the appetite for another boy. Now, I am not much good at allegories, but it seems to me that that is a pretty fair account of the way the West of Canada is acting toward the East. So that after we have thrown them everything we have, they will still be more anxious for more. I believe—and I do not say it unkindly or in any unfriendly spirit—that as evidence of that we have only to look back over their demands, chief among which have been free agricultural implements and some lines of railroad that would cost a few hundred millions—and which would be paid for by taking the duty off agricultural implements!

Now, I say this, and I say it most sincerely, Mr. Speaker: We are confronted, as these gentlemen tell us, with a serious condition in this country. The farmers in the West have had a mighty hard time in the last three years. But why blame it on the tariff? Why blame it on agricultural implements? According to the report of the Secretary of Agriculture for the United States there are 600,000 deserted farms in that country at the present time. And that condition is not due to the duty on agricultural implements. Hundreds of banks have failed in the rural districts; in fact, the farmers there are in a far worse state than our farmers are here.

An hon. MEMBER: Too much protection.

Mr. RAYMOND: An hon. gentleman says, "Too much protection." But this is not a question of protection or free trade. It is a question of treating all industries fairly, of letting equal justice be the basis of national unity. When one industry is to be destroyed for the benefit of another, I do not think that can be called equal justice.

To resume: I was saying that the farmers are in a bad condition, and they are making these incessant demands. Some of the things they ask for may be desirable; whether or not they are desirable from the national point of view is for the government, I suppose, to say. The Hudson Bay Railway, the branch lines, the deepening of the St. Lawrence canals—all these things will perhaps come in their time, but when in addition to that there is an organized effort on the part of the people who would be benefited to seek to free themselves from taxation, even from the taxation of the tariff on agricultural implements, I say the situation is not consistent, it is not logical.

Some few years ago, within the memory of perhaps some members of this House, a great war was fought in the United States. It was fought upon the principle of state rights, which is another form, Mr. Speaker, of what we call nowadays self-determination. Now, self-determination, while a most valuable, is a most dangerous principle. Self-determination was one of the basic principles of the American constitution, for the Declaration with which the national life of that country began states that every man is entitled to life, liberty and the pursuit of happiness. If you trace that constitution on from that, you will find that the limitations to that constitution have been such as to show each man where his liberty ended and where the liberty of the other man began; in other words, the effect is to curb self-determination. Need I quote any other amendment than the eighteenth amendment to the constitution, the last put into effect, which enforces prohibition in that country? That was put there to curb the spirit of self-determination; and every amendment—I think I am not mistaken—expresses that principle of curbing self-determination. The war was fought on the same principle. It was fought to curb national rights, it was only another way of suppressing self-determination. In this country to-day we are confronted with a somewhat similar condition to that with which they were confronted in 1860-1 in the United States, but with us it is a question of economic self-determination. We have a section of this country which comes to the conclusion that it must decide for itself just what economic conditions it wants to live under.

I say we are confronted with a problem, and a serious one, of economic self-determination; that is the condition as it exists in this country to-day. The action of hon. gentlemen opposite, their history, the history of their party and of their demands up to the present, show that very clearly, as I think they will agree upon reflection. If we are to have union, if we are to have the confederation saved—and we all want it saved—we must have the principle of compromise; we must have the principle of give and take; we must have men who are patriotic enough to hold up the love of country above their own self interest.

Some hon. MEMBERS: Hear, hear.

Mr. RAYMOND: All right; if we have men who realize that national unity is based upon equal justice to all, then there is some hope that this vexed question of economic self-determination can be settled definitely and for all time to the advantage of all Canada in the saving of the confederation. What made Lincoln great was that he saved the union. That classic marvel, the Gettysburg speech, means nothing if it does not mean that Lincoln was the saviour of the union and of his country. The question I would ask to-day is this: Have we in this country a man of the sagacity, the wisdom, the courage, the firmness, and the kindness, so to save our confederation?

Mr. W. C. GOOD (Brant): I think the House owes a debt of gratitude to the hon. member who has just spoken (Mr. Raymond), for the way in which he has interested and entertained us, and for his very frank expression of opinion. Before I proceed to deal with the Address I should like to refer to some of the remarks which he has just made.

At the outset he told the House very eloquently how the implement manufacturers of Brantford sold their machines in all countries of the world; indeed they were famous throughout the whole world, were known and used everywhere. Yet these are the people, apparently, who cannot compete in the home market.

Then again, I am afraid the hon. member has placed himself in a rather embarrassing position when he said that he stands four-square for the interests of Brantford. In his speech he appealed for national unity on the basis of national justice. He said: We must not destroy one industry to benefit another; we must hold up the love of country above selfish interest. I would like to know how he reconciles those very fine sentiments, sentiments which I think we can all endorse, with the statement that he stands four-square for the interests of Brantford. Is he prepared to sacrifice the national interest, whether it be with respect to unity or any other matter, financial or otherwise, for the interests of one locality or of one particular industry? We in this corner of the House have frequently been charged with being sectional and narrow in our attitude, we are occupational representatives, and are suspected of coming here to claim, demand and get for farmers something in the way of special privilege. I do not think, in view of what has been said this afternoon, that any such charge can be laid at our doors that would not be much more fittingly laid at the door of the hon. member who has just spoken. I have every respect for the hon. member for Brantford personally. I appreciate the embarrassing position in which he placed himself during his campaign and I sincerely sympathize with him. But I want to challenge emphatically the doctrine which is implied in his statement, "I stand four-square for the interests of Brantford." Unfortunately, I think we in this quarter of the House are not always immune from criticism along the same line, but so far as the question of oleomargarine is concerned the hon. member will admit that his criticism does not apply to me at all events.

The bear story, which was no doubt extremely interesting and amusing, has a reverse application, and I have often heard farmers use it in that way. When I spoke in the budget debate two years ago I think I made the comparison with reference to a litter of pigs, with the big fellows shoving the little fellows aside. Certainly the bear story can be applied in many other ways than the one in which it was applied by the hon. member.

Further with regard to the local situation I would like to say this: I have never known agricultural conditions in our neighbourhood to be as bad as they have been in the last couple of years. Last year eight hundred acres of very fine farm land quite near the city of Brantford went out of cultivation. It was abandoned. Some of it is yet abandoned; and this land is close to that splendid home market, the famous manufacturing city of Brantford. This spring part of my own farm, which has been rented for four years, was thrown back upon my hands, and I have been unable in three months of search to find any man who will take it at any price. I would lease it at almost any figure to any man who would take

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care of it for me. There are 130 acres in that part of my farm, with good buildings; it is on a cement highway and within two-and-a-half miles of this famous home market. Yet the conditions which the farmers face at the present time are such as to leave that farm and its equipment idle. I have the buildings insured for $11,000, and I cannot get anybody to touch that farm. I shall have to do the best I can with it myself. Mr. Speaker, that is an extraordinary situation. I do not attribute it altogether to the tariff, very little perhaps to the tariff, but I simply point it out as indicative of the condition of affairs that exists in close proximity to this home market on which we are so often told we must depend.

But in spite of all that I have related I am prepared to endorse what the hon. member has said about discrimination against any locality and against any industry in the matter of tariff readjustment; as a matter of grace, not perhaps as a matter of strict justice. But I think that in any readjustment, no matter what absolute justice may demand, it is wise for us to mitigate the sharpness of any blow, any distress that such readjustment may involve, and I think I speak for the members in this quarter of the House when I express the opinion that we want rather a general reduction on all the necessaries of life.

Mr. MARLER: How far should that general reduction go?

Mr. GOOD: I will answer the hon. member in just a moment. I say we want a general reduction. We do not want special privileges or anything in the nature of sops thrown out to us as farmers. The hon. member for St. Lawrence-St. George (Mr. Marler) has asked me how far tariff reductions ought to go. I am not prepared to say. I think that there too, the statement that I made with regard to the mitigation of any blow ought, perhaps, to be kept in mind, and that perhaps it would seem desirable not to make too drastic cuts in one year. I am not prepared, and I do not think the hon. gentleman could expect me to answer in detail as to how far that general cut ought to go.

Mr. MARLER: I understood the hon. gentleman to say that this general reduction of the tariff—and he said he spoke for himself and those around him—

Mr. GOOD: I hope I did.

Mr. MARLER: —would be a general reduction on all the necessities of life. Now I ask the question in general terms; and he means, I assume, that so much be taken off this year, and so much taken off next year, until gradually there would be approximately no tariff left on manufactured goods. Would the hon gentleman correct me if I am wrong?

Mr. GOOD: The question goes perhaps a little farther than I would like to go at this stage in the debate. I would be very glad indeed to go into that matter at the proper time. I think perhaps I may refer to it later on in my remarks. However, I have this to say at the moment in answer to the question, that we must have some consideration for revenue needs. We have not yet devised—but I hope we shall at some time in the not too distant future—other and better methods of taxation. Until such time as we have those methods evolved and decided upon, we shall have to rely to some extent upon customs duties or duties of that sort for revenue purposes. I think if the hon. member will pardon me, that is as far as I would care to go just at the moment in answer to his question.

Now, Mr. Speaker, I did not take part in the debate on the Address last year or the year before. I had no intention of taking part in the debate this year, but I have been impressed this year with the somewhat different situation which faces us and it is this; the government is in a minority—a very satisfactory position in my judgment, because they have to be guided by the will of the House, and I think they ought to do that if we are going to have democratic government. I take it that the government at least tacitly invites expressions of opinion at this stage in our proceedings upon any legislation which is foreshadowed. That is my justification, and I think it is sufficient, for imposing upon the House at this time, in spite of the desire which I know exists with many to shorten the proceedings, and as they say, to get down to business.

Regarding the contents of the Speech from the Throne, I would like to express a general if somewhat qualified approval. Whatever criticism I feel disposed to make would be based perhaps more upon omissions than upon anything actually contained in the Address. I think, however, that I should comment upon several items in the government's programme.

First, with respect to the allegations of prosperity in this country, for which, as proof, the government refers us to the records of production, trade, transportation, employment and public finance. I have already referred to the situation in our own district at home. The hon. member for Brantford

(Mr. Raymond) has referred to the situation in our nearby city. It is sufficiently serious; and I want to suggest to this House that if we examine those records we may perhaps interpret them in a somewhat different way from what is intended by the government in the Speech from the Throne. The statistics of trade and transportation are undoubtedly linked up with the statistics of production, and I think we will all admit that, so far as production is concerned, the favourable showing which is made this year is due to the blessings of Providence, and not to anything any party or government may have done. We have had, particularly in the far West, a splendid year for field crops. I think in eastern Canada too, the crop this year has been very good, and we have to attribute to this fact the improved records as to production, trade and transportation. So far as unemployment is concerned, I would suggest that there is nothing particularly consoling in the fact that the figures for unemployment are reduced. That is undoubtedly due to emigration and I would suggest in that connection it might be wise for us to see why it is that the United States is more attractive than Canada for people who are out of work, why the general business conditions are better in the United States than they are in Canada.

So far as the increase in public revenue is concerned, I want to ask this question: How has this increase been secured? Has it been secured at the expense of productive industry or otherwise? Whatever satisfaction we may have with an increase in the public revenue will depend very largely upon how we can answer the question whether the increased revenue we have secured has crippled industry, or whether it has revived and helped industry. Generally speaking, I do not think we should be over-optimistic at this time, though indeed we should be thankful for what measure of prosperity we have had this last year. I made a somewhat extended trip during the summer throughout the western part of this continent, and I can assure the House that, so far as the farmers are concerned—and I think probably the effect has been seen in other industries as well—the industrial conditions are serious enough throughout the whole continent, particularly in the prairie provinces of Canada and in the middle west. I received a letter from a friend of mine in Saskatchewan in October, and I shall quote one sentence from his letter. He says:

> Economic conditions are bad. People are losing hope; scores are leaving the country, and nearly always slip out without paying their debts.

We have many hon. members here who know the situation in our western country and can speak with more authority than I can in that respect.

Now the hon. member for Nelson (Mr. Bird) pointed out very well indeed that the remedies would be found in three different fields, first that pertaining to action by the individual, second that pertaining to collective action in and through the co-operative movement, and third that pertaining to collective action in the sphere of politics. Here in this House we are concerned mainly, almost entirely I think, with the third field, and I ask the question, what should be done in that field at the present time. First how shall we approach the problem? It seems to me, so far as our attitude of mind is concerned, that we must study the problem fearlessly, patiently and without party bias. I must confess, Mr. Speaker, that I have been very much depressed at times in this House over the party recriminations, the disposition to make party capital out of the most serious and critical national questions, and I could wish very very heartily that we could forget our party lines entirely, and sit down, as we say, around a common table and study these questions from the point of view of the national welfare, and wholly apart from any question of seeking or keeping power. I am glad to hear the leader of the opposition (Mr. Meighen) applauding me. He is a man who can render this country great service, but he must forget his loyalty to party.

A second question. Who must study these problems? The representatives of the people? Nay, I think the people themselves. We must give some study to them in this House, but the people outside must get down to a hard, serious, earnest study of many of these problems. One of the basic conditions to be fulfilled, if these problems are to be studied by this House, is that this House shall fairly represent the Canadian people. Does it? Perhaps it does in a measure better than it has hitherto done, but I want to impress upon the House in that connection the importance of correct representation. I have dealt with this matter before; I do not wish to elaborate upon it now; but I note, with a great deal of satisfaction, that section of the Speech from the Throne which deals with electoral reform, and I trust that that very small measure of electoral reform will enable us to secure, in the years to come, a more

thoroughly and truly representative House of Commons than we can possibly get under the old system. I hope, however,—and I shall speak at greater length in this connection when the time comes—that we may, as quickly as possible and as sanely as we can, proceed a little further towards that method of election which has alone shown itself capable of giving a truly representative assembly. But I repeat, that we must study the problems, fearlessly, patiently and without party bias.

If a comprehensive study of the recent and still prevailing depression is made, I am convinced that the largest factor in the situation will be found to be the breakdown or the mismanagement or the mishandling of the currency and banking systems of the world. I can cite authorities for that, and therefore I am not placing the statement before the House as having any particular weight because I make it. I believe, however, that a serious study of the situation throughout the world will show that no cause has been more destructive of prosperity throughout practically all the civilized world than that breakdown,—a breakdown which has been very serious in recent years. It has been partly due to the war. Some think it is entirely due to the war, but that I do not believe. It is not essentially due to the war, and for that reason, indeed for any reason, no matter what the ultimate or contributing causes may be, it behooves us to make further and radical study of this most important problem in all its various aspects, because it has many aspects.

I am going to refer very briefly in this connection to the resolution which was debated in this House last year and which was committed to one of the select standing committees for investigation. The investigation was never completed. I want to express the hope that this year, when the matter is reconsidered by this House, an opportunity will be given for a continuation of that very important work.

In this connection also I want to refer, in passing, to a document which I have in my hand, published, I think, annually, by the Montreal Gazette, and entitled The Commercial and Financial Review for the year 1923. This comes from the Canadian metropolis which is so ably represented in this House, in part at least, by the hon. member for St. Lawrence-St. George (Mr. Marler). I find here, in this booklet an article written by R. S. White, Editor-in-Chief of the Montreal Gazette, a man who, one would suppose, has some sense of responsibility for what he writes or says. I want to read to the House part of this article which is entitled In the Field of Finance.

The chartered banks of Canada have encountered one of the most trying years in their experience, and have emerged with unimpaired strength and unabated public confidence.

I do not think I need comment upon that, but I would like to comment upon the fact that a man in his position should make such a statement and publish it. The article proceeds:

The revision of the Bank Act—the law which regulates their operations, defines their powers, designates their responsibilities and prescribes penalties for wrong-doing—was undertaken by the Banking and Commerce Committee of the House of Commons, and after long discussion was completed without radical change in its principles.

I think that is quite true. Now this:

A vigorous onslaught was made upon the banks by the Progressive party, who had nursed their wrath for many months and who attributed the unprofitable results of farming operations in the western provinces to the failure of the banks to freely lend to all and sundry in need of money. It was proposed by this political party to deprive the chartered banks of the privilege of issuing notes—

That is not true, as every hon. gentleman present knows. The articles goes on:

—and to give a monopoly of the currency to a national bank of issue which, being a political institution, would emit money for public and private purposes regardless of security and without provision for redemption.

What do members of this House think of a man in his position in the intelligent city of Montreal uttering such stuff as that?

Mr. MARLER: What is wrong with it?

Mr. GOOD: It is not true.

Mr. MARLER: In what respect?

Mr. GOOD: It is a misstatement of fact. I challenge the hon. member, any member of this House, to find in the records anything of that sort. There was some discussion, informally, about the proposal for a national bank of issue; but no such proposition was made definitely, and certainly there was absolutely nothing, even suggested privately, that would justify this gentleman in saying that it was suggested to create—

A national bank of issue which, being a political institution, would emit money for public and private purposes regardless of security and without provision for redemption.

That is positively absurd.

Mr. MARLER: Probably he was drawing that conclusion from the mass of evidence presented to the committee in regard to the currency. No one could draw any other conclusion from the evidence of the witnesses.

Mr. GOOD: On the contrary no intelligent man could draw such a conclusion from the record of the committee last year.

Mr. HOEY: You cannot prevent him, of course.

Mr. GOOD: The article proceeds:

It was not a new proposal nor an original scheme, but one whose futility to establish prosperity had in modern times—

I do not know what the gentleman means by "modern times."

—been exemplified in the assignats of France, the wild-cat currency of the land banks of the United States—

May I remark that these land banks were established in 1914. They issue no currency. They do a land mortgage loan business. This man is utterly at sea, and he should have known that before writing such stuff.

Mr. MARLER: Let us hear the rest of it.

Mr. GOOD: The article proceeds:

—the ruble of Russia and the mark of Germany. The firmness of the Finance Minister coupled with the sanity of the parliamentary majority caused the rejection of the dangerous fads of the Progressives, and the bill for the renewal of the bank charters for a further decennial period became law very much as introduced.

I will not read it all. He speaks of the amendments that were made and then goes on to say:

Then, shortly after prorogation of Parliament, the collapse of the Home Bank occurred. It was a small institution whose resources did not exceed one per cent of the combined resources of the banks, but the subsequent revelation of the rottenness of the institution was undoubtedly a shock to the public, and the clamour for new banking legislation was renewed in some quarters. Loudest in the outcry were the unfortunate depositors who stand to lose 60 per cent of their deposits, while the poor shareholders are stripped of every dollar of their investment and required under the double liability clause to part with as much more. It was one of the most disastrous bank failures Canada has known, but the disclosure of its mismanagement points to no remedy not already supplied by the new Bank Act. The audit of the Home Bank was palpably inefficient, a very travesty of the word; and it is to prevent the recurrence of this experience that the audit has now been made in fact as well as name. Dishonesty, indeed, cannot be anticipated nor frustrated by legislation—

That is an extraordinary statement to make —that dishonesty cannot be anticipated nor frustrated by legislation. What is our legislation for? What is the purpose of the Criminal Code?

Mr. MARLER: You cannot legislate a man into honesty.

Mr. GOOD: No, you cannot make a man honest by law.

Mr. MARLER: Well, that is what the article says.

Mr. GOOD: I beg the hon. member's pardon; the article does not say so. What the article says is that dishonesty cannot be anticipated nor frustrated by legislation.

Mr. FORKE: It can, by putting a lock on the door.

Mr. GOOD: The article continues:

—but it can be prevented from running a long course and adequately punished when detected; and this has been done.

As for the contentjon of the Home Bank depositors that their losses should be reimbursed by the other banks or by Parliament, it is so monstrously absurd as to require no argument in rebuttal.

Evidently Mr. White would not agree with the government's action in appointing a committee to investigate the allegations made by the depositors. I submit that any man, no matter what his prominence may be, who prints such mischievous rubbish as that ought to be publicly censured.

Mr. MARLER: It seems to me my hon. friend is using rather extravagant language in referring to the author of the article.

Mr. GOOD: I can find no terms more appropriate than the words I have used. The article is mischievous, because it goes to a class of people who do not understand the farmers' point of view—nor do they understand the Progressives in this House—and who will be prejudiced against the farmers by this misrepresentation. And I say it is rubbish, as I think I have shown.

In this connection I want also to refer in passing, and as dealing with this particular subject, to some correspondence I have had recently with a very prominent ex-Canadian banker now living in the United States. I am not privileged at the moment to divulge his name but I will quote two passages from his letters, one a letter to me and one a copy of a letter which he has addressed to one of the chief Canadian bankers of the present time. He says:

While as late as March last I proposed removal of some of the evils of the Canadian system, rather than a complete change, the Home Bank failure, with three other disasters, calls for more radical treatment than mere grafting of improvements. A decided change of system is essential, whether it be a modified branch system of moderate sized banks or a system without branches.

In the other letter, which is much longer, written to one of our prominent Canadian bankers, the last two sentences read:

When the currency system of the United States was at its worst, it was a pleasure to point to the Canadian system of that time. Now the latter is in ruins, due to secretive management, to over-trading beyond all example, to persistent propaganda and to united influence for monopoly.

Now, I have read these extracts not for the purpose, as may be said, of slinging mud at anyone, but to call to the attention of the House the absolutely vital need that exists for re-opening this most important question and giving it further consideration.

The second large factor in the present depression is, in my judgment, the heavy and unsound taxation from which this country suffers at the present time. Heavy taxation would not be so bad if it were of the right sort, unless indeed the revenue secured were foolishly spent.

Mr. GRAHAM: Is there any sort of taxation which the people would admit to be right?

Mr. GOOD: I will answer that question in a moment. Let me say that unsound taxation of any degree is incompatible with prosperity; and my opinion is that most of our federal taxation is thoroughly unsound in principle. The Minister of Railways (Mr. Graham) wants to know whether there is any sound system of taxation. I want to commend him as a member of the government for suggesting—and I hope the suggestion will be carried out—that a board be constituted to study methods of taxation, because, in my opinion, if there is not any absolutely sound method there are at any rate some methods that are a good deal sounder than others; and perhaps in time, with investigation and study, the public may be convinced that certain methods are preferable to others and should be adopted. Two years ago I went to considerable trouble to present to the House, in the budget debate a criticism of the present system of federal taxation. I examined the basic questions underlying the matter of the incidence of taxation, and indicated a system which I thought sounder than any other. I have not been done the honour of having that address referred to in any way by any member of the House since that time. I should not perhaps expect recognition, but I was hoping that at least it might be attacked if it was wrong. I propose this year, if I am able, to take that matter up again when the budget debate comes on and to outline in some detail what has been done throughout the world in the direction of securing a better system of taxation than is current in Canada; and I trust, when that time comes, that the matters which I shall present will have some sympathetic consideration by all members of the House who are really concerned about our present situation.

As I remarked already I am pleased to note in the Speech from the Throne the government's proposal to constitute a board to investigate and study various modes of taxation. There is in the Speech little that is more hopeful, if the board's work is not vitiated at the outset by improper appointments. I should like also to suggest in this connection that it is very important to bring about at the earliest possible date a conference between the municipal, provincial and federal authorities who have to do with taxation, with a view to preventing wasteful overlapping in collecting agencies and the like. We have already in some provinces three income taxes, with separate machinery for their collections. Surely this is a serious waste.

I am glad also to notice the proposal of the government to consolidate the revenue collecting agencies. I think they might well go further and consider the propriety of carrying out the suggestions made by Mr. O'Leary in his series of articles in MacLean's Magazine; that is, of further consolidating the various departments or sub-departments which now overlap. This would be a very effective method of economizing.

With regard to civil service retrenchment, the situation is indeed tragic. It is bad policy at any time to have the public service overmanned; it is particularly bad to-day when productive industry is overburdened with taxation. But, on the other hand, with unemployment rife, what will happen to those who are relieved of their duties in the Civil Service? Will they become a charge on the city of Ottawa or the province of Ontario? Some consideration must be given to this aspect of the situation, and I would suggest that, while it is certainly desirable to weed out unnecessary employees, the weeding-out process be carried on carefully, although I do not suppose there is much danger of its proceeding too fast. There is naturally a constant attrition in the service through death, superannuation, marriage and voluntary resignation, and so I am of the opinion that if fresh appointments to the service are held in check a reduction of the staff can be accomplished in the fairly near future without any very serious hardships resulting to the individuals concerned, or to the municipality.

Mr. GRAHAM: Would my hon. friend elaborate his views a little? Certain employees are temporary, and when a vacancy arises it is very difficult to appoint one of these transients to fill the position, as applications are advertised for throughout the country and

whoever passes the civil service examination gets the appointment. It has been suggested by a member of the Railway Commission that we should stop the influx of outsiders and utilize those who are already in the service as temporaries in filling vacancies from time to time, and so gradually reduce the staff. Of course, my hon. friend will understand that I am interrupting him in a friendly way. The trouble is that to fill any vacancy by the appointment of a temporary already on the staff will cost two or three times as much in many instances as to bring in an outsider. Therefore economy does not of necessity go hand in hand with a reduction of the staff in this way.

Mr. GOOD: I am quite free to admit that there are a number of practical difficulties in the working out of this policy, but I think the old motto applies, where there's a will there's a way; and although there might have to be a number of exceptions to any rule that may be laid down there is at least some hope of progress in the not too distant future in this direction. I do not profess to have studied the details of the Civil Service sufficiently to be able to make any specific suggestions. However, the tragedy of the situation seems to me to emphasize anew the importance of a radical study of taxation and finance, for in this direction lies our chief remedy. Apropos of this I would remind the House of one sentence quoted the other day by the hon. member for Centre Winnipeg (Mr. Woodsworth) from an address delivered in England by Mr. McKenna. I have since secured a copy of that address, and it is certainly a very frank and definite statement of his views as to the connection between unemployment and financial policy; and this is one of the questions that this House ought to give attention to.

I note with satisfaction the proposal in the Speech from the Throne of tariff reduction. As I have already stated, I hope this will be a general reduction of the duties on the necessaries of life, and that we are not justified in interpreting the phrase, "instruments of production in the industries based on the natural resources of the Dominion," too narrowly as meaning only so-called agricultural implements. Overalls are just as important to a farmer as his plow, just as much an instrument of production and just as necessary, and certainly more people are interested in getting cheap overalls than in getting cheap plows. We should try to live up to that well-known motto, the greatest good to the greatest number, and I feel confident that if the government bring down a tariff policy along this line we in this quarter of the chamber will give it our support. I would warn the government, however, of the consequences of making infinitesimal changes—of endeavouring to straddle the fence. I fear that such a policy would be fatal to them, and I hope they will take it to heart that anything of this sort would be totally unacceptable—at least to me.

The paragraph of the Speech from the Throne which deals with the Bank Act is as follows:

> The amendments made to the Bank Act in the last decennial revision of the last session provided better guarantees for the public in banking operations; their wisdom has already been abundantly apparent.

This is surely a shrewd and somewhat non-committal statement. If it means that some improvements were made last session, we all admit its correctness; but if it means that adequate improvements were enacted, the statement will be questioned. I have already submitted to the House opinions expressed by a very eminent banker as to the critical nature of our banking situation. I think the whole matter of our Bank Act needs to be reconsidered and studied in an entirely different frame of mind from what prevailed last year. Personally I am prepared to sit down with any man who differs from me in opinion, and to sympathetically and dispassionately discuss our different views on this matter; but I am not prepared to agree to any policy of blocking investigation and postponing further attempts at improvement. The matter is of the utmost importance, the country is aroused and is, I think, demanding a reconsideration of a number of banking questions that received some attention last session. I do not think public confidence can be restored until this is done, and undoubtedly it is the duty of the government to do everything in its power to restore public confidence. There is nothing worse than the obscurantist attitude—that disposition to hide things, to put the lid on and keep it screwed down.

In this connection I would also call attention to the report of the special committee on Agricultural Conditions with respect to rural credits which was presented at the close of last session. I understand that the government has already had President Tory of the University of Alberta give some attention to this matter. I saw Dr. Tory about New Year's time and had a very interesting talk with him, and I sincerely hope that although the matter is not mentioned in the Speech from the Throne, this report will be brought down in such time that it may receive full attention at the hands of parliament this year.

In that connection I must refer to a letter I received not long ago from a man who was associated with Dr. Tory in the work of investigation that took place in Europe in 1913, when the commission went over there to study European rural credits. I refer to President John Lee Coulter, of the Agricultural College of North Dakota, a man who is perhaps better acquainted with rural credits in the United States than any other man in that country that I know of. I had a long talk with him in September, and subsequently have had some correspondence with him. I read this from a letter which I received from him about Christmas time:

I have somewhat followed the Canadian situation. Without doubt stabilization of prices is one of the great fundamental pillars in any structure which hopes to hold up our present civilization based as it is on some exchange. We in this country would not think of going back to any plan which did not include government supervision as a second pillar. There is no longer any doubt but that our long-term land mortgage banks is a third pillar which must hold a permanent place. The intermediate credit system which has in mind loans attached to agriculture is another one of the pillars of strength which we are just developing. At this time we are particularly studying and experimenting with co-operative organizations of many kinds.

Just one final word, Mr. Speaker, bearing upon the Speech from the Throne, with regard to the estimates. I do hope that the scandalous procedure which has prevailed in years past, and which prevailed last year to some extent, that of bringing down large estimates in the dying days of the session, will be discontinued. If the public outside knew exactly the situation in this respect, there would be a general and terrific protest throughout this whole country.

I regret that no mention was made in the Speech from the Throne of legislation to facilitate the development of the co-operative movement, a movement which, I think, holds out more hope of solving the social problems of humanity than perhaps anything else. I had intended to submit to the House some opinions of eminent men in this direction, but as the time is getting on I shall simply refer to them and say that there is a general agreement on the part of a great many men of eminence as to the desirability of assisting in the development of the co-operative movement, not only producers' co-operation or co-operative marketing, but consumers' co-operation as well. In 1907 the late Mr. Monk, who was a very progressive and useful member of this House, brought in a bill to assist the co-operative movement. I have here a little memorandum of what happened to that bill throughout a series of years, and I would like to submit it to the House. The bill was introduced in 1907 and sent to a special committee, before which the present Prime Minister and the then Governor General, Earl Grey, gave important testimony in favour of the co-operative movement. The work of the committee occupied, I think, the best part of the session, and it was thought inadvisable to bring the legislation further forward at that time owing to the fact that it was considered desirable to submit the evidence to the members of the House. The next year the matter was brought up again and the bill was unanimously passed by the Commons and sent to the Senate. Apparently the Senate got tangled up in the question of whether they were trespassing upon provincial rights or provincial jurisdiction, and after a somewhat prolonged debate in that House the matter was referred to the Department of Justice for a ruling on the question whether this parliament had any right to go further in this direction. Apparently it took the Department of Justice a long time to give a ruling, for we hear nothing more of the matter till the session of 1910, when Mr. Monk brought it up again. On the 14th of December, 1910, a new bill, redrafted apparently in view of certain rulings of the Department of Justice, was considered in Committee of the Whole and progress was reported. That is the last we hear of it. As you know, in the winter of 1911 there was a precipitate end to that session, followed by a general election and a change of government. Then in 1912 the present leader of the opposition (Mr. Meighen) reintroduced the matter, and I think it is very much to his credit that he did. The bill was given its first reading, but got no further, so far as I can find in the records. In the session of 1913-14 he introduced it again; it received its first reading, and, so far as I can find out, got no further. Then the war came on; we were engrossed, I presume, with other affairs and the whole question was shelved. I submit to the government and particularly to the Minister of Labour (Mr. Murdock) the need for some permissive legislation—for that is all we want—permissive and helpful legislation to facilitate the incorporation, organization and carrying on of co-operative activities in this country.

Finally, I would like to make some reference to the remarks of the hon. member for St. Lawrence-St. George (Mr. Marler). I very much regret to see that he has left the Chamber. I would like to wait for him, but I daresay I shall have to proceed. The hon. mem-

ber's address drew forth great applause from the Conservative opposition. It was certainly a very frank preaching of the doctrine which they believe. I think the hon. member for St.-Lawrence-St. George is to be commended and complimented very highly by this House for the unusual diligence that he has shown in collecting and analyzing statistical information concerning Canada's finances. With much of what he said in that connection I would like to express my agreement. But I was amazed at his remarks on the tariff. Here is his argument in brief, as I understood it, and I think I do him no injustice in so condensing it: First, Canada needs population; the diversification of industry will increase the demand for workers and therefore attract population—I hope, Mr. Speaker, that the Conservative group will give some attention to this,—the tariff will bring about diversification of industry; ergo the tariff will bring us people, enable us to retain them, supply tonnage for our railways, and generally establish better industrial conditions.

What incontestable logic! It is not new however. I wish the hon. member were here, but in his absence I will address myself to the group to my right, the Conservatives. I would like them to listen to a similar plea made seventy-five years ago in France, and I hope the right hon. leader of the opposition (Mr. Meighen) will listen to it. It is "a petition of the manufacturers of candles, wax-lights, lamps, candlesticks, street lamps, snuffers, extinguishers, and of the producers of oil, tallow, resin, alcohol, and, generally, of everything connected with lighting." We have had lots of modern versions of this petition, Mr. Speaker, and I have listened to a good many of them:

To Messieurs the members of the Chamber of Deputies:

We are suffering from the intolerable competition of a foreign rival, placed, it would seem, in a condition so far superior to ours for the production of light that he absolutely inundates our national market with it at a price fabulously reduced. The moment he shows himself our trade leaves us—all consumers apply to him; and a branch of native industry, having countless ramifications, is all at once rendered completely stagnant. This rival, who is no other than the sun, wages war to the knife against us, and we suspect that he has been raised up by perfidious Albion (good policy as times go); inasmuch as he displays towards that haughty island a circumspection with which he dispenses in our case.

What we pray for is, that it may please you to pass a law ordering the shutting up of all windows, skylights, dormer-windows, outside and inside shutters, curtains, blinds, bull's-eyes; in a word, of all openings, holes, chinks, clefts, and fissures, by or through which the light of the sun has been in use to enter houses, to the prejudice of the meritorious manufactures with which we flatter ourselves we have accommodated our country—a country which, in gratitude, ought not to abandon us now to a strife so unequal.

We trust, Gentlemen, that you will not regard this our request as a satire, or refuse it without at least previously hearing the reasons which we have to urge in its support.

And, first, if you shut up as much as possible all access to natural light, and create a demand for artificial light, which of our French manufactures will not be encouraged by it?

If more tallow is consumed, then there must be more oxen and sheep; and, consequently, we shall behold the multiplication of meadows, meat, wool, hides, and, above all, manure, which is the basis and foundation of all agricultural wealth.

If more oil is consumed, then we shall have an extended cultivation of the poppy, of the olive, and of rape. These rich and exhausting plants will come at the right time to enable us to avail ourselves of the increased fertility which the rearing of additional cattle will impart to our lands.

Our heaths will be covered with resinous trees. Numerous swarms of bees will, on the mountains, gather perfumed treasures, now wasting their fragance on the desert air, like the flowers from which they emanate. No branch of agriculture but will then exhibit a cheering development.

The same remark applies to navigation. Thousands of vessels will proceed to the whale fishery; and, in a short time, we shall possess a navy capable of maintaining the honour of France, and gratifying the patriotic aspirations of your petitioners, the undersigned candle-makers and others.

But what shall we say of the manufacture of "articles de Paris?" Henceforth you will behold gildings, bronzes, crystals, in candlesticks, in lamps, in lustres, in candelabra, shining forth, in spacious warerooms, compared with which those of the present day can be regarded but as mere shops.

No poor resinier from his heights on the seacoast, no coalminer from the depth of his sable gallery, but will rejoice in higher wages and increased prosperity.

Only have the goodness to reflect, Gentlemen, and you will be convinced that there is, perhaps, no Frenchman, from the wealthy coalmaster to the humblest vendor of lucifer matches, whose lot will not be ameliorated by the success of this our petition.

Mr. Speaker, it is difficult to take seriously the arguments that have been advanced from that time down to the present, and I suppose that will be advanced for years to come, on behalf of this policy of attempting to secure diversification of industry by such methods. Nobody objects to diversification, but I want to ask hon. members to my right whether they are quite sure that the tariff is the best thing to secure diversification, and at what price diversification is sometimes secured.

Mr. HANSON: From what book was the hon. member quoting just now?—was it Aesop's Fables?

Mr. GOOD: No, I shall be very glad to lend the book to the hon. member, and I am sure he will profit from a reading of it. I have one other quotation I wish to make. It is from Woodrow Wilson's book The New Freedom. He says:

Of course, if we are going to agree to give any fellow-citizen who takes a notion to go into some business or other for which the country is not especially adapted,—if we are going to give him a bonus on every

article he produces big enough to make up for the handicap he labours under because of some natural reason or other,—why, we may indeed gloriously diversify our industries, but we shall beggar ourselves. On this principle, we shall have in Connecticut, or Michigan, or somewhere else, miles of hot-houses in which thousands of happy American workingmen, with full dinner-pails, will be raising bananas,—to be sold at a quarter apiece. Some foolish person, a benighted Democrat, like as not, might timidly suggest that bananas were a greater public blessing when they came from Jamaica and were three for a nickel, but what patriotic citizen would listen for a moment to the criticisms of a person without any conception of the beauty and glory of the great American banana industry, without realization of the proud significance of the fact that Old Glory floats over the biggest banana hothouses in the world!

Mr. Speaker, I have occupied the time of the House at considerable length, and I do not think I should say more. I do want however in conclusion, to submit to my friends to the right that they should seriously consider whether these desiderata, upon which we are all agreed, are to be secured by the methods which they advocate. We are not in disagreement as to the objects to be attained, but I want to submit again to them, in all sincerity and fairness, that they are mistaken as to the consequences and results of the methods which they so constantly and often so sincerely advocate.

Hon. H. H. STEVENS (Vancouver Centre): Mr. Speaker, I have listened with a considerable degree of patience to the last speaker, (Mr. Good). I had hoped to hear from his lips some observations on the very important question of the tariff which might have been described as constructive, but instead of that, we have been treated to one or two more or less humorous observations from a couple of books. My hon. friend poses and spares no opportunity of impressing upon his fellow-members in the House the idea that he is perhaps the greatest political economist in Canada.

Some hon. MEMBERS: Order.

Mr. STEVENS: I am not at all surprised at my hon. friends calling "order," because the idea is very far from the fact. My hon. friend seeks constantly to impress the House with the idea that he is perhaps one of the leading economists of Canada, and I think we had a right to hope at least that his address to-day might have been pregnant with some presentations of solutions of problems, rather than merely a lengthy dissertation that certain problems did exist, which we all agree is the case.

Since the opening of the House I have been very much impressed with the change that has come over this Chamber. In the last two sessions of parliament it has been our habit to address ourselves to the government, situated on the government benches. We have looked to the Prime Minister and his cabinet for such attention as we might properly claim, in regard to demands for changes or consideration of big public questions. But I am impressed with the fact at the moment that while the form of government may still be situated across the Chamber on the treasury benches the substance thereof is really situated in the person, or around the person, of the hon. member for Brandon (Mr. Forke), the leader of the Progressive party, for we have the word of the Prime Mininster in his address the other night that it was quite hopeless to expect him and his followers to carry into effect the policies which he has heralded all over the country as the policies of the Liberal party; to use his own words "We have to have your help," pointing his finger and directing his attention to the hon. members immediately to my left, the Progressive group. The Speech from the Throne has been described as perhaps one of the longest in our history, and I must confess that to me at least it appears to be filled—I do not wish to be harsh, but still I cannot modify my language any further—with meaningless platitudes. There are recited there a lot of pious hopes, and so very indifferently and indefinitely stated that the result is a state of chaos in the minds of the public generally. Even my hon. friends the members of the Liberal party, who held a caucus subsequent to the introduction of this important official document, one after the other confess on the floor of this House that they do not know what is meant or what is intended by the Speech. Not only is that the case, but I pick up newspaper after newspaper, editorial after editorial, and one after the other they all declare that they do not know exactly what is meant. And the most intimate friend of the government, I might say the mouthpiece of the government, the Globe, writes a column editorial trying to explain away, or at least to call a halt to, the increasing marked public opinion that certain things are meant or intended by the Speech from the Throne. But as a matter of fact, as the Globe intimates, the likelihood is, or their guess, I should say, is, that it really means something else. My hon. friend from Red Deer (Mr. Speakman) in a very excellent speech yesterday—excellent in so far as form and diction are concerned—took to task the hon. member for Fort William and Rainy River (Mr. Manion), reprimanding him rather severely

for using that phrase which personally I do not think was in any sense extravagant, when my hon. friend (Mr. Manion) described the haste with which the leader of the Progressive party hurried to assure the government of his unqualified support as somewhat indecent haste.

Mr. FORKE: May I ask a question?

Mr. STEVENS: Yes.

Mr. FORKE: When and where did I offer the government unqualified support?

Mr. STEVENS: I am just coming to that; —I am rather under the impression that my hon. friend from Brandon (Mr. Forke), the leader of the Progressive party, might properly be said to have displayed indecent haste in denying it. The hon. member for Fort William and Rainy River did not have the floor and had no opportunity of straightening out the matter, and, as it was left, there might be left on the minds of the members of the House an impression that he had misquoted the hon. leader of the Progressive party. I am going to read the interview which my hon. friend denied that he had given. First, let me read his denial, in order to save him the trouble of interrupting me again. The following appears in yesterday's Hansard—

Mr. Manion: I was not referring to that speech at all; I was referring to an interview given by the hon. member's leader (Mr. Forke) some days before to the Winnipeg Free Press.

Mr. Forke: Will the hon. member kindly tell us what that statement was? I do not know what it was.

Mr. Manion: I am not on the floor at present. The statement was made and quoted all over the country in every newspaper through the Associated Press. Does the hon. member deny that he gave an interview to the Free Press?

Mr. Forke: I do not remember any interview.

Now I will refresh the hon. gentleman's memory by reading the interview which was given voluntarily by himself to the Winnipeg Free Press and published all over the country, and which I myself read, as did many thousands of others. The date is Ottawa, February 29, the day following the opening of parliament, and it refers to reactions to the Speech from the Throne having been instantaneous and decisive. Then the statement goes on—

Robert Forke, M.P., leader of the Progressive party, when asked to give his opinion on the legislation forecast in the Speech, said: "It is the most hopeful sign I have seen since I entered parliament. While I have not consulted the members of this group, I feel that Mr. King should be enheartened in the task to which he has pledged his party. Lest he should fear that the government will fall between two stools in losing support from his own party and failing to attract outside support from our group, I will say that if Mr. King carries out the promises contained in the Speech from the Throne the Progressive party will give him consistent support throughout the session.

That was not enough. The article proceeds:

Mr. Forke explained that he made this statement in order to convey to the Premier the knowledge that in carrying out his programme of reform, reductions in the tariff, decreased transportation costs, retrenchment and a balanced budget, the single transferable vote, the branch line construction and so on, he would not be running the slightest risk of a defeat at the hands of parliament.

Mr. FORKE: May I say a word in explanation? I remember a conversation along those lines. It was not a stated interview. However, I am not going to deny it. I thought I made it plain that I was speaking for myself personally, without having consulted my group. After listening to what has been said, I will repeat it again: If the government will come through with Progressive principles they have nothing to fear from this party. I have nothing more to say.

Mr. STEVENS: I am not going to enter into any argument with my hon. friend. He has got himself into a sufficiently difficult dilemma, as it is, and I will leave him there, but I want to say to him that there is scarcely an occasion when he addresses this House that he does not make special claims for himself, for the consideration of this House, which is usually and generously accorded to him. But he takes advantage of my hon. friend's enforced silence—he having already spoken in the debate—to place him in a false light before the people, and that is the reason I am correcting his wholly inaccurate statement yesterday.

Mr. FORKE: I may say—oh well, let him go.

Mr. STEVENS: My hon. friend is very uneasy, and he may well be, because his conduct was not that which conduces to confidence in leaders of great parties. Now there is a declaration in the Speech from the Throne which has been noticed by all. It has indeed been the cause of a great deal of uncertainty, a great deal of anxiety throughout this country, and that is the declaration that it is the intention of the government in this session to put the implements of production on the free lists. I am aware that the word "free" is not used in the Speech from the Throne. But my right hon. leader (Mr. Meighen), who immediately followed the mover and seconder of the Address, interpreted the Speech from the Throne in that way; he interpreted it so that no one in this House could misunderstand his words; and there has not been an utterance from the government benches or from a government supporter, there has not been a single bit of information given to the

House contradicting the interpretation placed upon that clause by my leader. I want to direct my remarks particularly to the acting leader of the government (Mr. Graham), and I say that we have a right in this House to place that interpretation upon that clause in the Speech from the Throne. Why is it that not a minister of the Crown has entered this debate with some explanation? It has been called for by the hon. member for Brantford (Mr. Raymond), by the hon. member for North Waterloo (Mr. Euler), by the hon. member for St. Lawrence-St. George (Mr. Marler) and by other members on that side of the House. Every one of them, one after the other, has withheld absolute condemnation of the government and withdrawal of support on one ground only, and that is the indefiniteness of that article in the Speech from the Throne. Yet we have been in this debate for ten days or thereabouts, and not a minister of the Crown has uttered a single word of explanation, beyond the one utterance by the Prime Minister (Mr. Mackenzie King). What was his utterance? What did he do? He turned to the hon. member for Brandon, the leader of the Progressive party (Mr. Forke), and to the other hon. gentlemen representing that group, and shaking his finger towards them, in cordiality, I believe, rather than in censure, he assured them, reassured them time and again, that he and his government intended to carry out every word and every inference contained in the Speech from the Throne. What I want to say to my hon. friend leading the government at this time is this, that the government owe it to this House as an act of common courtesy to come forward with a clear-cut declaration of what the article means. They also owe it to the country, to every purchaser of agricultural implements and implements of production of whatever character, to say what it means. They owe that to every distributor, every dealer, every agent and every manufacturer. Furthermore, how can a manufacturer map out his programme for the coming months? How can a manufacturer enter into the purchase of raw material on a large scale as they usually do and ought to do? How can a manufacturer enter into the purchase of his fuel supplies, how can he provide for the innumerable essentials that enter into his business, if he is faced with not only the inference but the declaration that implements of production are to be put on the free list?

My hon. friend (Mr. Graham) owes it to this House, and upon him personally rests the responsibility at this moment, to make that point abundantly clear. Not an hour, not a moment; should be allowed to pass without that being made clear. It is not sufficient for the members of the government to sit silently in their seats as they have done on two occasions already courting the closing of this debate. This debate would have been closed and a vote would have been taken upon the motion for the Address and the amendment, had the leader of the House and his colleagues had their way, without a single explanation, without any clearing up of the doubt that now rests in the minds of the people. I am appealing to my hon. friend; I make an appeal to him directly because he is usually of a reasonable mind; he is usually courteous. Why is it there is this silence, this ominous silence on the part of the government? Why is it there is not an explanation? My hon. friend said something. I did not catch it.

Mr. GRAHAM: I was speaking to a member of the government.

Mr. STEVENS: Am I to apply to the Minister of National Defence (Mr. Macdonald)? The Minister of National Defence is perhaps more cordial than the genial leader of the House. Will he tell us what is the correct interpretation? He turns his attention away. Let me appeal to the Minister of Justice (Mr. Lapointe). This is my first opportunity to appeal to him as Minister of Justice, and I offer him my congratulations upon his elevation. Let me appeal to him for justice. In justice to the House and the country, will he intimate what is meant by that clause? Will he make some definite statement whether what the government intend to do is as the country from one end to the other has interpreted the clause, that is, to place implements of production on the free list? That is the question. We are entitled to an answer. If the government do not mean that, in heaven's name, what do they mean? Let them tell us exactly what they mean. It is suggested that the Minister of Agriculture (Mr. Motherwell) might answer that.

Mr. MOTHERWELL: The hon. member will get his answer in time.

Mr. STEVENS: He is affected. He is interested.

Mr. MOTHERWELL: Certainly.

Mr. STEVENS: Will he tell us? Is it intended to put implements of production on the free list?

Mr. MOTHERWELL: The Speech speaks for itself.

Mr. STEVENS: My hon. friend says: "The Speech speaks for itself." Will he deny the correctness of the interpretation placed upon it by my leader?

Mr. MOTHERWELL: I am not responsible for the interpretation put upon it. It may mean something different from the interpretation put on it.

Mr. STEVENS: Will he not come to the relief of his own supporters? Shall I name them again? The hon. member for North Waterloo, the hon. member for Brantford, the hon. member for St. Lawrence-St. George, and one or two others, I repeat, have withheld their opposition to the government on this occasion for one reason only, and that is the lack of definite interpretation of the Speech from the Throne. The treasury benches are silent. They have been silent for a week, ten days, not taking the country into their confidence, jollying my hon. friends to my left with the vain hope that agricultural implements are going on the free list, afraid to come out and tell the country frankly where they stand, throwing out these inferences and suggestions in order that they may feel public opinion. If public opinion reacts too quickly and is sensitive and restive under the suggestion then, Mr. Speaker, mark my words, you who come from manufacturing centres, the soft pedal will be put upon the free-list talk. Cajole the hon. members of this party to our left who have treated them with a great deal of courtesy and support during this parliament past this first obstacle in the session, the Speech from the Throne! So juggle the language that the hon. gentlemen will be deceived into supporting the government for what they honestly believe to be their claim and their right, and the intention of the government to give them free agricultural implements and other implements of production! After having deceived them to that extent, accept their support to get by the first obstacle! That is the position in which the government leave themselves. Is that a dignified position? Is it a position that calls for confidence on the part of the country? Aside absolutely from the possible effect of their action, aside wholly from the record of the government in any other respect, aside from the Home Bank and one or two of the minister, is it a course that inspires confidence in the governement? Is it a course that is likely to inspire confidence in the people, which is more important, in the country itself and ist future? These are pertinent questions and they are questions that, I think, are seething in the minds of the people from one end of this country to the other. What are the government doing in this regard? They are holding over the heads of the industries of this country, like the sword of Damocles hanging over their heads by a slender thread, the threat of annihilation of some industries and certainly drastic curtailment on the part of many others. They are nibbling at that thread. Last year they nibbled at it; they severed one strand; they reduced the preferential duty on woollen goods to such an extent that they have half ruined an industry, as I will show in a moment. By their action last year and the year before they have ruined one-half of the woollen industry of Canada, as I will prove. And by the threat in the Speech from the Throne this year there is certain ruination for other industries. It appears hopeless to appeal to my hon. friend the acting leader of the government (Mr. Graham). I sincerely regret the absence of the Prime Minister (Mr. Mackenzie King) in so far as it is due to ill-health; but it may be that in his absence my hon. friend feels that he is not qualified to speak on this important matter. It is suggested that perhaps the Prime Minister went away without taking his colleagues into his confidence as to what he really did mean by this clause. Indeed, it is rumoured that the clause was slipped in after the whole Speech had been considered by the Cabinet as a body. Of that I cannot speak other than by rumor. But these rumors, fortified by subsequent evidence, sometimes find a lodgment in one's mind and it is very difficult to dislodge them.

Now I may turn to some observations made by the leader of the Progressive party (Mr. Forke). The hon. gentleman in his speech dealt very largely with the question of the tariff and its effect on agriculture, and so on. Of course, I do not ask my hon. friends to my left to accept my conclusions, that is hopeless. I do, however, beg of them to give some consideration to the facts and figures I am about to cite, and in the light of those figures to view the whole question of protection or free trade and the interrelationship of industry and agriculture in this country. My hon. friend stated, quite properly, that 400,000,000 bushels of wheat will go from the West this year, most of it to find a market in the old world; and then he emphasized a point which has often been stressed, and which is perfectly true, that the price of this wheat is fixed by the world market. That is the basic argument, I might say, in my hon. friend's complaint

against the policy of protection in this country. I intend to analyse that situation and place before my hon. friends certain facts which, if they will be courteous enough to consider them, may tend to modify some of their views. At the same time I beg to offer these facts to the government by way of warning against the course they have indicated in the Speech from the Throne. I shall try to make my figures as little tiresome as possible.

I have the figures of the total production of wheat in Canada for the last four years, and I find that in 1920 we produced 263,000,000 bushels—I give the round numbers—as compared with 474,000,000 in 1923. Now, we exported in 1920 123,000,000 bushels and last year 242,000,000 bushels. There are two other sets of figures which I will submit before I proceed to an elucidation of the facts. The milling industry in 1920 consumed 61,000,000 bushels, and in 1923 113,000,000 bushels, leaving a surplus in Canada in 1920, at the end of the year, of approximately 79,000,000 bushels, and in 1923 of 118,000,000 bushels. Let the general significance of these figures be borne in mind, and then let us consider this question. What is the total annual consumption of wheat by the importing countries in the world? It is generally admitted to be about 650,000,000 bushels; that is accepted by all economists as about the figure. That is to say, the countries that have to import wheat for their own consumption consume in the aggregate about 650,000,000 bushels annually. Now, wheat is produced in certain major countries: the Argentine, Australia, Canada, Egypt, India, Russia—which for some years has been out of the market—a few other smaller countries, and the United States. These countries export to the importing countries this 650,000,000 bushels. If your exporting countries have a large quantity of wheat which must find a market in the world market, so-called, in excess of the 650,000,000 bushels there is going to be a very serious drop in the price of wheat. No one will dispute that. What is the situation this year? It is that Canada is exporting perhaps 100,000,000 bushels more than her normal export, indeed more perhaps than her previous high exports; and she is sending it into this world market. In other words, there is added to the world market by one country alone 100,000,000 bushels above the normal supply. That perhaps is the primary and basic cause of the low price of wheat throughout the world today. When the importing countries find wheat reaching a figure that is above what they consider a fair normal rate then they turn to potatoes, rye and other coarser foods, and that fact in its turn reduces the consumption of wheat. That is not a factor this year; I state it merely to show what is the equalizing element in the fixation of world prices.

Now I want to bring my hon. friends' attention to another aspect of the question. As I have already intimated, we consumed last year in Canada in the milling industry 113,000,000 bushels, and for seed and other purposes we used perhaps another 50,000,000 bushels. And we have a large surplus. The point I want to make, which I shall try to state in detail later on, I will now submit in a general way, and it is this. The hope of the wheat grower in Canada rests more in increasing the home consumption than it does in producing more wheat to send to an already over-supplied world market. I do not think there is any escape from that conclusion. Do not let this fact escape our minds in considering the question: the normal consumption is about the same; it does not vary very much. The world consumption of wheat for years and years has been around the figure of 650,000,000 bushels. It is not increasing year by year as consumption in a new country like Canada increases. My hon. friends who grow wheat or who represent wheat growers can never expect to overcome the handicap of that world market by simply growing more wheat and taking the duty off the implements of production. That is not the solution and it never will be. On the other hand, if Canada can be developed so that the consuming public will absorb another hundred million bushels then the present crop in Canada can be marketed without disturbing the world market, and can be marketed at an advantageous price to the farmer,

Mr. FORKE: What is the trouble with the wheat growers of the United States? Why are the farmers in the wheat-growing states in such a deplorable condition with a population of 110,000,000 or so?

Mr. STEVENS: First of all, the United States is still a wheat-exporting country.

Mr. FORKE: You said, a smaller exporting country.

Mr. STEVENS: I made no such a statement. I am surprised at my hon. friend's pique simply because I took him to task a moment ago.

Mr. FORKE: We shall see what Hansard says to-morrow.

An hon. MEMBER: He will cut it out of Hansard.

Mr. STEVENS: I will not cut it out of Hansard. My hon. friend is a little in error. What I said was that there were certain major wheat exporting countries, and then I added the United States. Now I say to my hon. friend, first, that the United States is a wheat exporting country and that the price of wheat is fixed by world market conditions; secondly, that that is not the only reason.

Mr. BEAUBIEN: Is not the United States a wheat importing country also?

Mr. STEVENS: Let me pass on for a moment. The second reason is, that the wheat growing areas of the United States, which are perhaps ten to twenty years in advance, in time of operation, of the Canadian wheat growing areas, are producing a lower quantity of crop per annum and per acre than we or any other newer wheat growing country is producing. There is no question about that. Now I turn to my hon. friend's question—a perfectly proper one: Is not the United States a wheat importing country? Yes, to some extent and for one purpose. They import our hard wheat to mix with their soft wheat for milling purposes in order to produce flour of the requisite quality.

Mr. SPEAKMAN: I am sorry to interrupt my hon. friend, but for the purpose of information I would ask him if the great increase in the amount of Canadian wheat milled in Canada has been accompanied by a corresponding increase in the export of Canadian flour, or has the increase been consumed wholly at home?

Mr. STEVENS: I shall give my hon. friend the figures if he likes. In 1920 our mills consumed 61,000,000 bushels of grain and produced 13,000,000 barrels of flour, of which they exported 4,700,000 barrels. In 1923—my hon. friend will note the figures—the mill consumption was approximately 113,000,000 bushels of grain—this may not be exact, but it is as near as I can get it; I have not the production—and of the flour turned out 11,000,000 barrels were exported. In other words, the export to-day is about three times what it was in 1920. So the increased production was accompanied by increased export. That brings me back to what I was trying to elucidate, namely, that the chief hope of the wheat producer in Canada is the increased consumption of wheat and wheat products within our own boundaries. I think there is no escape from that.

Now, let me turn to a consideration of the argument put forward, that Canada is a great agricultural country, and if an industry cannot live without protection it has no right to live at all. I know that is an extreme statement, but sometimes you have to make your statements extreme in order to bring them forcibly to the front. I repeat the statement, that Canada being chiefly an agricultural country, industries that cannot exist without protection should be allowed to sink or swim in competition with the world.

An hon. MEMBER: Hear, hear.

Mr. STEVENS: One of my hon. friends says "hear, hear", a little timidly. I do not agree with that view at all. I want to make my position so clear that there will be no mistake about it. I am absolutely convinced that the only fiscal policy for Canada to-day and for many years to come is a policy based on protection of Canadian industries for the upbuilding of the Dominion. I think I can demonstrate some facts in connection with this that will justify my position.

Mr. WARNER: How do you proceed to protect the wheat grower?

Mr. STEVENS: I am going to show my hon. friend how I think he can be protected. He cannot be protected against competition in the world markets; that might as well be admitted at once. There is a possibility, however, of his getting a larger market at home, and by the increase of domestic consumption catching up to the production which is now in excess of the demand. My hon. friend from Brandon used certain figures last week, and I merely want to place beside them some other figures, not to controvert his statement but merely to make a fair comparison. He stated that there had been a tremendous increase in the cost of farm machinery, and he gave us three articles in illustration of this: a plough, a mower and a wagon. His figures indicated that the increase in the cost of a plough to-day over the 1914 price was 82 per cent, of a wagon 51 per cent, and of a mower 63 per cent. These are facts which I do not dispute for a moment, but I have taken the trouble to look into the increased value of farm products. Do not let the House misunderstand me. As I say, I have not done this with the idea of controverting my hon. friend's facts at all, but merely to get a fair comparison. I take the Winnipeg Grain Exchange prices for wheat on October 6, 1913 and 1923:

	1913	1923
Wheat No. 1..	81⅛ cents	99⅝ cents

There is an increase of 23 per cent.

	1913	1923
Oats No. 2 C.W...	33⅜	43⅝

That is an increase of 51 per cent. For butter I am taking the Montreal Export market.

An hon. MEMBER: You have switched.

Mr. STEVENS: I have not switched with any idea of deceiving. I am taking the recognized markets the world over for these commodities.

	1913	1923
No 1 Creamery Butter.. ..	27½ cents	35⅞ cents
Cheese..	13	21

Or an average incerase on those four farm products of 44 per cent. There is a discrepancy, and a serious discrepancy—there is no question about it—between those two sets of figures, and I think it perhaps illustrates the difficulty now existing between success and failure on the farm. But let me say in fairness that 1923 does not reflect the price, for instance, of wheat over a period of years. For the sake of illustration I will give the average of the last four years' prices on wheat over the 1913 price. In 1913 wheat was 81⅛ cents, and the average for the four years just closed, including 1923, is $1.56, or an increase of 92 per cent. This includes, of course, the peak years, 1920 and 1921, and should not be taken into consideration to confuse the present problem. But when my hon. friends are talking about the implement industry let them reflect that the Massey-Harris Company, for instance, has had three years of serious loss. It is true that in the previous years, 1920, 1919 and 1918, they made profits; so did my hon. friends. There was no criticism in 1920 about the price of wheat. So, when we are looking at this problem do not let us pick out the leanest years we have known for a long period on one side, and then pick out on the other side of the argument some fat year such as we had during the latter years of the war. I want to turn to a specific case. I have under my hand some particulars with regard to what is one of the tragedies that I referred to a moment ago in connection with dickering and tampering with the tariff, and that is the tragedy of the woollen industry of Canada. I have here a great many figures and facts which I am not going to deal with, but I wish to give just a few in order that we may visualize the effect of even a small interference with this trade, and I am going to try to show at least how it adversely affects even the producer of agricultural products.

The normal employment in the woollen industry is 21,800 and some odd. The annual wage bill is $17,000,000 and the cost of material is $34,900,000. In other words the woollen industry under normal conditions—not even at its maximum, but in the ordinary course—employs 21,800 consuming Canadian citizens who receive a wage aggregating $17,000,000, and in addition to that there is spent in the purchase of raw material, a substantial portion of which is bought within the country itself, more than $34,000,000. But to-day, since the amendment made by my hon. friends opposite to the tariff effecting a reduction in the British preference, this employment has been reduced to 10,800, or less than one-half what it was a little over a year ago. That is directly attributable to the reduction in the tariff. Let me demonstrate that. I will take first the wages. Wages constitute 55 per cent of the value of the goods—and this is not hearsay; it is actual demonstrated fact without any peradventure, and hon. gentlemen can readily verify it. Now, here is a comparison of the wages paid in Canada with those paid in Great Britain. I have reduced the English rates to the basis of Canadian currency, and the result is the following:

Occupation	British rate	Canadian rate
Winders..	$5 92	$13 to $15
Twisters..	6 34	13 to 15
Spinners..	5 77	13 to 15
Reelers..	6 52	17 to 20
Doffers..	5 22	13 to 15
Overlookers..	17 03	35 to 60
Warehousemen..	12.06	19 to 22
Blenders, carbonizers, labourers..	12 06	18 to 20
Male help in grey room, stockroom and packing department..	12 30	19 to 22
Firemen and greasers.. ..	13.89	30

So that the rate in Canada is just about double, taking it right through, what it is in Great Britain. Ontario has a law fixing a minimum wage of $12.50 a week. In Ontario, therefore,—and members from that province will correct me if I am wrong—under the minimum wage law it is obligatory upon any employer to pay a minimum of $12.50 per week. So that employers in that province cannot get down to the British wages. There is no question of competition there; it is fixed by statute—and practically all these mills are in Ontario. So that the rate is fixed by Canadian statute, approved and supported by the Canadian people, and that makes a difference of double the rate in wages. I have said that the wage value is the equivalent of 55 per cent of the value of the goods; take one-half of that and you have 27½ per cent, which is the handicap of the Canadian manufacturer before he is permitted to compete in the open market with his competitor across seas. In other words, the whole of the protection of the woollen industry before it was interfered with by the government a year or two ago was absorbed in the fixed additional wage that must be paid in Canada over and above

that paid in Great Britain. These are very significant figures, Mr. Speaker, and very important facts.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. STEVENS: Since the dinner hour I have had placed in my hand another illustration of the effect of interference with the tariff by this government during the last two years. I will read briefly this article which appears in one of the local papers, and undoubtedly will appear in all of the financial press to-morrow:

> The Hawthorn Woollen Mills at Carleton Place have gone into voluntary liquidation and will close down. The mill when working full time employed over two hundred hands and paid wages and salaries of $250,000 annually.

Then follows a declaration by the mayor of Carleton Place that he considers this a catastrophe to the town. There is a long statement of reasons why this mill has been forced to close down, and I shall quote very briefly merely to illustrate what I shall more fully emphasize later on:

> Mr. Richard Thomson, owner of the mill, has been forty-four years in the woollen milling business.

This is not an institution that has been operated by inexperienced persons but by a man that has spent all his life in the business, and to him, it must be remembered, and to the two hundred employees trained and skilled in this work, and in no other, the closing down of the mill is a question of life. It is not merely a question of closing down a piece of machinery. It means the man's livelihood, and indeed everything which is of value to the individual.

Another factor that must be kept in mind is that there was 140,000 hundredweight of incoming freight, raw material and other things used in connection with the mill's operations, and 12,000 hundredweight of outgoing freight. This I shall refer to at length in a moment. Mr. Thomson goes on to refer to the tariff in connection with woollens, and he brings to light the fact which is well known to members of this House, that the right hon. Minister of Finance (Mr. Fielding), who we all regret is laid aside through illness, did when he was in office a few years ago, increase the duty from twenty to thirty per cent in order that the woollen industry of Canada might survive, and it not only did survive but prospered during a period of years, until in the last year or two unholy hands were again laid upon the tariff and the closing down of this mill is one of the results.

Then he refers to the exchange question, and I shall refer to that in a general way.

Now, Mr. Speaker, what is the result of this scrapping of an industry? What are some of the effects of destroying the active operation of an industry of this kind? These are questions we have a right to ask. First, and I put it first, there is the direct effect upon those engaged in the industry, and whether a man is engaged in agriculture, as an artisan in a factory, or as a member of an office staff, that is his livelihood and naturally the stoppage affects him very directly. In this woollen industry there are some 12,000 people thrown out of work, and in this particular industry at Carleton Place over 200 employees are thrown out, with no hope of re-employment even in the near future in connection with this plant. I might add that about one thousand individuals formerly engaged in the woollen industry in Canada according to actual records kept, have gone to the United States. These are the best skilled men in the industry, and they will probably be lost to the industry in Canada for all time, at least, a substantial number of them. As was well pointed out by my hon. friend from Brantford (Mr. Raymond) this afternoon, when Canada trains a man or woman in any particular industry and that individual leaves the country and finds permanent employment in some other country, that is the loss of a real asset to the country—a decided loss.

This in my estimation is so important a matter that I might be pardoned for digressing a moment from the immediate argument. May I pause to say this? One of the reasons that enabled Great Britain to maintain her supremacy in the manufacturing world after the introduction of free trade was that other countries had no skilled labour, or very little, in the industries such as, particularly, cotton, woollen, iron and steel. I merely cite that in passing. In other words, the value of the skilled artisan is something that not only cannot be measured in dollars and cents; it is something that cannot be replaced except in a long period of time. We have lost those workers.

I come now to a question, a very pertinent question, asked by my hon. friend from Red Deer (Mr. Speakman) yesterday, and I shall analyze it in some detail. He cited transportation as one of the great problems of Canada. I agree with him, and further I endorse every word he said with regard to the possibility of solving the perplexing question of

the adverse charge in regard to the mountain scale but I am not going to discuss that at this time. Transportation is one of the important questions, he said. It is. I have checked up several industries, I have made careful inquiry, and this is an established fact; in any class of industry that you may choose, the incoming freight to that factory is from three to fifteen times the amount of the outgoing freight. I want this fact to be seized by hon. gentlemen of this House. In the case of the woollen industry, for instance, the incoming freight to the factory is from fifteen to twenty times as great as the outgoing freight. In other words, such a factory must bring in by freight its raw material, its fuel, coal, its packing materials such as shooks for boxes and cases, its lubricating oils, its spare parts for machinery, firebrick for the furnaces, which is a constant article of replacement, and many other articles of that kind. It is a constant tonnage flowing into that factory. In the case of the woollen factory the proportion is from fifteen to twenty-one. Taking the case of shelf hardware, for another illustration, I have made careful inquiries, and I find that in that class of manufacture the incoming tonnage to the factory, as compared with the outgoing tonnage, is five to one. In connection with, I think it is glassware, the incoming tonnage is approximately four to one, and you can go down through the list with similar results. They range from three to four to one, to as high as twenty to one. The point I am making is this; if you buy an article, whether it is cloth, glassware or hardware, any article of a manufactured character you may choose, from a foreign country, it reaches your seaboard or your boundary point, and from there you get the tonnage on the finished article. If you buy a Canadian article you have not only furnished exactly the same tonnage, but you have furnished from four to twenty times the amount of tonnage in the materials and other things entering into the manufacture of that article. Is that point clear? Is it not a vital point in one of the most perplexing problems facing Canada to-day, namely transportation? I am going to reiterate, and if necessary to weary the House, that this point may be made abundantly clear; and I will go further; if you import an article, assume it comes via New York, it will come in bond over the American railway to the nearest point to the factory. In the case of Winnipeg it would come in bond to Minneapolis, and from there to Winnipeg, and Canadian roads would get a very small haul. Then coming in from New York to Hamilton, Toronto or Montreal, there is only a few miles of haul over a Canadian railway. But assuming it comes from our own seaboard, you still have the fact that by the importation of that article you have destroyed an amount of tonnage from four to twenty times greater than the tonnage of the imported article. How do we expect our railways to function under these circumstances? How do we expect this over-railroaded Canada of ours that we hear so much about, where we have too much railway for the population, to get along? How are you going to help freight rates if you take away from the railway companies a very substantial portion of the tonnage to which they are justly and properly entitled? That is my point with regard to the tonnage, and I am not going to labour it further.

Let me bring this same argument back to where I was when I introduced this portion of my remarks, namely that perhaps the main product of Canada that we sell in the world's markets is wheat, or wheat products, chiefly wheat. That article is marketed in competition with the world. Its price is fixed in Liverpool or at some central point usually determined or described as Liverpool. We cannot control that market. There is no possibility of our controlling it. On the other hand, in Canada we consume a certain amount of the wheat we grow. If we encourage the development of industry in Canada, if we increase the industrial population of Canada, then we are going to increase the consumption of wheat in Canada, and lessen the amount of wheat we have for export to this uncontrolled market, and to my mind, Mr. Speaker, there is no species of argument that can overcome that stubborn fact that the only way you are going to catch up with the over-production of wheat in Canada is by the increasing industrial life of this country.

Mr. McCONICA: Suppose you increase population by bringing ten million wheat consumers into Canada, and they manufacture in Canada and consume Canadian wheat, do you not decrease the wheat consumers of England or some other country just as much as you increase them in Canada, and is the net result on the world's supply not exactly the same?

Mr. STEVENS: No, that is not the case, and I will explain why. Hon. members laugh. If a laugh is to be logic, I must say I cannot meet that logic, but my hon. friend's question is a most pertinent and sensible one. It is a question that ought to be faced and faced very frankly, and I will try to face it as well as I can. As I understand the point, it is this. If we bring ten million artisans into Canada, increasing the industrial life of this

country by that process, do we not deplete the consuming market overseas? That is virtually his question. I will answer it very bluntly, and then perhaps in a little more detail. My first argument is this. The standard of the consuming market has been approximately the same for a great many years; that is about 650,000,000 bushels a year. The consumption is distributed over a tremendously large population, and a few drawn from that population makes no appreciable difference. My second argument is that if we were drawing from Europe we would not necessarily be drawing from a wheat-consuming country. A great many of them would be, but some of them might not be. My third point—and perhaps this is the most significant point—is that for a century at least the natural increase of population in Eurpoe has been largely, not wholly but substantially, absorbed by emigration to the United States, Canada and Australia. So that the natural increase in Great Britain will easily keep pace with any emigration—from Great Britain. I think there is no question about that. You may take the figures as you like. For instance we will take Great Britain. Her population doubled in the last century. Then take France, which is one of the slowest in regard to the natural increase in population of any country in Europe, she has increased by at least ten million in the last sixty years. Germany has increased by easily double her population sixty years ago. Belgium has increased. I think Norway and Sweden, perhaps have not increased very much, but nearly all of the European countries have very largely increased by a natural process, but a substantial portion even of that increase is going to the States and Canada, and I cannot see for the life of me that there need be the slightest apprehension on that point. But I would point out the fact that Canada's wheat growing possibilities are capable of an immense expansion beyond her production to-day. Some hon. gentlemen in this House could give exact figures from memory, but I cannot. I venture, however, to say that we have not 10 per cent of our arable wheat growing lands under cultivation yet. Therefore there is room for an immense expansion in wheat growing. But what I am trying to plead with my hon. friends is that they will realize that one of the greatest hopes, not, perhaps the only one hope, for the wheat producer of Canada is increased consumption within Canada. I do not think there is any question about it.

Mr. WARNER: Is the wheat production not liable to increase more rapidly than the consuming public?

Mr. STEVENS: Unquestionably; all the more emphasis on the need for increasing the consumption at home. Let us get down to concrete cases. Here you take the duty off woollens. You put 12,000 men out of work. You have sent 1,000 of them, at least, out of the country already and more probably will follow. Is any more wheat consumed in Canada because of that? Is this surplus that we have to-day not added to by that very fact? Have you not accentuated the evil? That is the point which I am trying to emphasize. Is there not, on the other hand, an opportunity of minimizing the evil by increasing the home consumption?

Mr. MORIN: The hon. member said a moment ago that if the population of Canada was increased, the local consumption would increase, but that would not affect the price of wheat if there was a surplus of production.

Mr. STEVENS: I did not catch my hon. friend's question.

Mr. MORIN: If the consumption of wheat was increased in Canada, how would that affect the price if there was still a surplus of production for export?

Mr. STEVENS: I am not speaking so much of increase of price. What I am trying to point out is this. Canada, this year, has placed upon the world market 100,000,000 bushels odd—I think I am well within the mark in putting the quantity at that figure—more than we put on the world market last year. The world market is, comparatively speaking, a fixed market; but the producing countries, if they continue to increase the surplus that they have for this world market, by that process depress the price abroad, and inasmuch as the price is fixed abroad, the price on the home market is depressed. If you can put on the world market approximately the same quantity as it will consume, then you have an opportunity of keeping that price at a reasonably decent figure. That, however, is not all. Would a million people in Canada, consuming Canadian wheat not be of infinitely greater value to the Canadian wheat grower than a million people in Europe consuming Canadian wheat? Let us look at the matter in a different way. In the city of Toronto, there are probably half a million people. Can we not visualise for a moment the tremendous quantity of tonnage for our railways which my hon. friend spoke of yesterday, the tremendous consumption of Canadian-made goods which they will require? Take a city with a population of a million people and try to visualise what that means in tonnage, in the consumption of other lines

of farm products, in the consumption of Canadian-made articles and the impetus to an all-round national life for this country. Compare that with the bare shipment of two or three shiploads of wheat to the foreign country. Then answer me which is to the best advantage of Canada. That is the question.

Mr. WARNER: Does the hon. member think it is likely that we shall get as many consumers as that without getting the producing element in greater proportion and thus increasing rather than decreasing the surplus?

Mr. STEVENS: I cannot quite catch the point, but I will answer it in this way. I have this in connection with my remarks in any case, and I think it will meet the point. What is required in Canada is a more even balance between the producers of foodstuffs and the consumers of foodstuffs. I must be most weak in placing my argument if I cannot make myself clearly understood.

Some hon. MEMBERS: Hear, hear.

Mr. STEVENS: I will agree with my hon. friends that it has been impossible for me to penetrate their minds with this argument. But it surely must be clear to them that it is a distinct advantage to the grower of wheat if, by the increase of the industrial population of this country, there is a reduction in the exportable surplus which must find its sale upon the markets of the world. I am not going to labour that particular point any longer; but in my estimation the fiscal policy for this country should be so framed as to develop and increase and accentuate the development of the industrial life of Canada rather than to pay out large sums of money to bring in additional, inexperienced agricultural producers at this time.

Mr. WARNER: Would the hon. member not have to stop the increase in production if his logic is carried out?

Mr. STEVENS: It will stop automatically. I will not have to stop it. That is one of the things, in connection with the law of production or the law of supply and demand, that I tried to point out this afternoon. This is what occurs when your foreign market is bare, when it falls below the normal average of 650,000,000 bushels and your price soars. The consuming people in the consuming market to which I referred turn to potatoes and rye, and the consumption of wheat falls until the price of wheat reaches a point at which they can afford to purchase it. My hon. friend need not fear the need of control. That will be done by the natural law of supply and demand.

Mr. WARNER: Not if you get double the population raising wheat.

Mr. STEVENS: For five years—for seven years Russia has been out of the wheat exporting business. This year, for the first time in five years, Russia sent into Great Britain a very large quantity of wheat. In one month she sent 44,000 tons into the port of Manchester. I have not the figures for the whole of Great Britain. But mark my words, next year and the year following, Russia will again be a tremendous factor in the export of wheat to the world market. I say to the Canadian wheat farmer that if he wants to safeguard his industry, that will be done by looking not to the requirements of that foreign market, but to the consumption in Canada of as much Canadian wheat as possible.

Let me turn my argument, for a moment, to another line. I appreciate that I have been speaking very much longer than I had intended to do; but interruptions called for explanation and reply, and made my remarks more extended perhaps than I had intended them to be. I want, however, to give to the House some very interesting figures in connection with Canada's foreign trade. I have used these figures publicly on two or three occasions, and, perhaps, they will fit into my argument and the position taken by myself and my colleagues in this House. In the last fifteen years the United Kingdom has sold to Canada $1,645,000,000 worth of goods and it has bought from Canada in the same period $5,070,000,000 worth of goods. In that period—I am giving these figures merely in comparison—the United States sold to Canada $7,084,000,000 worth of goods and bought from us $3,830,000,000 worth of goods. I have the figures for eleven European countries, and while I will not give all the countries, I will give the figures in toto. During the last fiscal year we sold to those eleven countries $75,870,000 worth of goods and we bought from them only $36,600,000 worth of goods. In other words, we sold them $2 worth of goods for every dollar's worth we bought from them. I take the trans-Pacific trade as another division. This includes six trans-Pacific countries, the most important. We sold last year to these countries $51,000,000 worth of goods and from them we bought $14,000,000 worth, or approximately three to one. I have gone back over a period of fifty years and I find that the same state of affairs, with certain minor differences here and there, characterizes the whole of that time: throughout the period we have bought from the United States two dollars

for every dollar we have sold them, whereas in other instances in our trade with Europe, the trans-Pacific and Great Britain, we have sold to these countries from two to three dollars for every dollar we have purchased from them. Now a pertinent question appeals to me in this connection: Is our fiscal policy at the present time so framed as to bring about a proper distribution of our foreign trade? That is the important question. Here are the figures for many years, and no marked variation will be found in them if one goes back over this extended period. What is the effect of all this? The effect is seen in two other sets of figures which I shall give to the House. The average annual excess of exports over imports in our trade with the United Kingdom for that period of fifteen years is $228,000,000, whereas the average annual excess of imports over exports in our trade with the United States during the same period is on the other hand $217,000,000. What is the situation? Great Britain owes us and has owed us annually—and it is increasing—for that fifteen years an average of $228,000,000. Where does she pay that money? Does she pay it in Montreal? Where are the bills settled? Great Britain settles our claims against her by paying them in New York. Now there is a vital significance in that fact, and that significance is apparent, for one thing, in the exchange of four per cent against the Canadian dollar in New York. It was apparent to a marked degree three years ago when the exchange stood at nineteen per cent on one occasion against our dollar. But the main point I am making is that for this period of time we have had this adverse balance of trade as regards the United States and there has been no real advantage from the favourable balance of trade in relation to Great Britain. I say, therefore, to the government and to the people of Canada that not only is it desirable so to improve the industrial conditions of this country that we shall increase our industrial population, so to protect the industries of Canada that they may have an opportunity to survive and develop in the teeth of foreign competition, but it is also highly desirable so to frame our fiscal policy as to divert a portion of these purchases from the United States to such countries as have for so many years been favouring us with their purchases. What is the practical remedy? In a few words it is this, that the general tariff of Canada should be placed on a stable basis and as to farm products be increased. That is the first requisite. In the second place, we should make such treaties with other countries as deal favourably with our goods as will give us an advantage in their markets; and in so far as other countries are prepared to give us such an advantage I would advocate preferential treaties with them, although not preferential treaties that would destroy Canadian industry.

I have under my hand a mass of figures regarding our foreign trade, and while I do not wish to weary the House with a recital of them I desire to point out one thing. Since the French Treaty was entered into what has been the result? I do not for a moment criticize the making of a treaty with France, but I do think that it is a matter for criticism that we should open our markets to such luxuries as brandies, wines, silks, satins and so forth. We do question the propriety of that. What is the fact in connection with our imports of wines, brandies and whiskey? Our imports from France have increased enormously while our revenue has actually fallen in a marked degree. There has been no advantage from the standpoint of the revenue although there has been a tremendous importation of foreign whiskeys, brandies and wines; and besides there has been a great increase in the direction of silk and articles of that nature. There is no reason in my opinion why, in so far as it is necessary to sell these things in Canada, we should not encourage the manufacture of them in this country. I know of course the stock argument against this. There is the old well-worn excuse or apology, that if you do not trade with foreign countries, if you do not buy their goods, you cannot expect to sell them your own products. Time will not permit me to do so just now, but on some future occasion I shall show to the House how that policy has affected in a very marked degree certain lines of activity in this country. For the moment, however, let me say that outside of such industries as I have been referring to—the woollen industry, the implement manufacturing industry, the shelf hardware industry and innumerable allied industries of that character—there are many articles that will be trafficked in between Canada and other countries that cannot be profitably or suitably manufactured here. But what I am asking is that we should carefully survey this field and consider the principle of protection altogether without apology. I am tired of apologising for the principle of protection; I am absolutely weary of hearing people offer excuses on behalf of it. Let us clearly state that we are

in favour of protecting Canadian industries so that those industries may be established here. I am utterly sick of such utterances as those of my hon. friend this afternoon. He tempered his protective speech with the suggestion of revenue. I say, I am weary of seeing my hon. friends opposite going up and down the country preaching a tariff for revenue and then whispering in the ears of the manufacturers—"Sh—we will protect you, we will not let you get hurt." Let hon. gentlemen come out frankly and declare whether they are in favour of free trade or protection. Do they still offer that old excuse that protection is an immoral principle, that it is something to be shunned, something that we should not talk about? In my estimation it is the one sane fiscal policy for Canada for the present time and perhaps for another decade or two at least.

I began my remarks with what I thought was a courteous and certainly a very pressing plea that the government might relieve the country of the anxiety into which it has plunged it by its own action. There can be no question that industry and commerce and finance in Canada to-day are in a very anxious mood. I have been heartened to this extent, that I am told that the Minister of Justice (Mr. Lapointe) is likely to speak to-night or perhaps to-morrow. If he does I hope he will, with his judicial mind, give to the House a clear-cut statement of what is meant by these ambiguous terms in the Speech from the Throne.

There is one thing which I had forgotten to deal with and which I beg to refer to now, and that is the interpretation that has been put upon the proposed lowering of taxation, namely, the putting upon the free list of instruments of production. Does that include other than farm implements? I have a right to assume that it does. There arrived in Ottawa to-day a fellow citizen of mine, the Hon. Mr. Sloan, Minister of Mines of British Columbia. Mr. Sloan comes with a plea, which is of a piece with what has been the policy of the government and their supporters for years—he is come to make a sectional appeal. He is going to ask the government to put mining and sawmill machinery upon the free list. Why? Now, I want my hon. friends to my left to listen to this because it is another example of the camouflage policy of hon. members opposite. He figures that by so doing the great Liberal party will ingratiate itself with the immense lumbering and mining industries of British Columbia. I say to the ministry, and to all my constituents, that I have absolutely no patience with the policy of proposing something in order to get a few votes locally at the expense of the welfare of the whole country. I go further. Without camouflaging my statement in language such as we find in the Speech from the Throne, I place myself on record that I am absolutely opposed to putting mining and sawmilling machinery on the free list unless everything else is put on the free list and we go the whole distance with free trade. The government will never do that with my support or approval, but in the face of my most bitter opposition. Let it be clearly understood that I stand for the protection of mining and sawmilling machinery just as I stand for the protection of other lines. I will tell my hon. friends why. The mining industry of Canada cannot prosper if our industrial life languishes. The only way in which iron, steel, lead, copper, zinc and other minerals can be mined and used successfully in Canada is if our industrial life is prosperous and consuming large quantities of raw materials. Therefore, if we are to protect our industries, as I advocate, then I ask for no exemption for that branch. Let me turn to lumbering. It might be an advantage if the machinery used in the manufacture of lumber could be placed on the free list. But I want reasonable protection for these articles into which lumber enters as an element, and if I want that I have no right, if I am to be consistent, to ask that the machinery of the sawmill be put on the free list; and I will not do so. I say to the government: Turn a deaf ear to this gentleman from British Columbia who is seeking merely to control a few votes by boasting that he secured for them special privilege as against those engaged in other industries.

Now, will the minister who is leading the House give to us an explanation of just what the government intends to do in regard to this clause in the Speech from the Throne? I say to the minister, basing my remarks upon all the precedents in this case, that they had no constitutional right to predict in the Speech from the Throne that there would likely be reductions in the tariff. It is wholly inconsistent with our constitutional practice, and I do not know of any case where it was done previously.

Mr. McMASTER: It was done in 1907.

Mr. STEVENS: That was general. There is a vast difference between saying that the duty on the instruments of production in certain branches of industry are likely to be reduced, and that it is intended to make a general revision of the tariff. No one would object to the latter statement appearing in

the Speech from the Throne. But I want my hon. friend to realize—and I am sorry if I have failed to impress this upon him—I want him to realize that there is uncertainty and anxiety prevailing throughout the country regarding this matter. I have before me editorials from the Globe and other Toronto journals, and from the Montreal and western newspapers, all of which are interpreting this particular paragraph in the Speech from the Throne as meaning that the tariff on agricultural implements is to be substantially reduced. As I said before, how can the commercial and industrial interests of this country function properly under this condition? How can a manufacturer or a distributor place his orders? Therefore I say to the government that we demand—and I think I am fair in putting it that way—we demand an explanation of the clause; we demand it in the interests of the businesses that are affected, and we demand it in the interests of the country generally. I go a step further. I predict that my hon. friend from Brandon will find that he was altogether too hasty in accepting the clause as a fulfilment of the government's policy of 1919 or of the Progressive platform of that year; or, to put it more specifically, I predict that he and his party will get very meagre satisfaction when they review the budget in regard to any reduction of the tariff on agricultural implements. The government is frightened. They show every evidence of fear—they fear the electors, they fear their own personal supporters in this House. They do not desire to put this question to a test. I challenge them to put it to a test here, and I make the still more hopeless challenge that they put it to a test in the country. Why, at least half of those hon. members who are supporting, or who are supposed to be its supporters, have challenged the government —mildly, it is true, because of the ambiguity of the clause—but nevertheless they have indicated how they stand. And if the government dare to come out with a clear-cut statement, there will be serious defections from among its own ranks.

Mr. MOTHERWELL: Do not worry.

Mr. STEVENS: Oh, my hon. friend, the Minister of Agriculture has come to life! I wonder if he will tell us what he thinks about this?

Mr. MOTHERWELL: It looks fine.

Mr. STEVENS: My hon. friend says. "It looks fine." One thing is certain, he will do anything within his power to retain his seat for another year and the salary of Minister of Agriculture.

Some hon. MEMBERS: Oh, oh.

Mr. GAUVREAU: Cheap.

Mr. STEVENS: Perhaps my hon. friends think the minister ought to be removed from parliament? I agree with them in that, and I think the country would also agree. In all probability his constituents will agree to his early removal, if he will give them an opportunity of expressing their opinions. But in any case I say we are entitled to this declaration. I challenge my hon. friends opposite to make such a declaration, and I challenge them further to give expression in the budget, within a week if they can or at any time to the clause which is causing all this controversy and anxiety throughout the country.

Mr. T. G. McBRIDE (Cariboo): Mr. Speaker, I do not intend to take up the time of the House at any length. Indeed, it seems to me that hon. members who hold the floor for two and two and a half hours have no regard either for their fellow members or for the expense they are putting the taxpayers to; certainly they are not the type of statesmen who are ever likely to make Canada what we would all wish to see her become—a country where goodfellowship and propriety prevail from shore to shore.

There are one or two points that I would just like to touch on, and I will be as brief as possible. I have in mind the tariff taxation, and railway extensions. Now I am frank to admit that when I came to this House a little over two years ago I was about as hidebound a dyed-in-the-wool high tariff man as there was in this chamber, but after listening to the discussion of the question from the point of view of both sides of the House I must admit that I have changed my opinion a good deal. The hon. member for Vancouver (Mr. Stevens) did put up one argument this afternoon that I admit is a hard one to answer when he showed that the government of Ontario fixed the minimum rate of wage for that province and it was twice as high as the wage paid in the Old Country, and that half the cost of the manufacture of some goods was taken up in wages. Well, that applies to the Old Country but it does not apply to the country to the south of us. Why should a man who buys an auto in this country pay a thousand dollars more for it than he would have to pay on the other side? That is a hard question to answer. If a man goes over to the United

States, buys an auto and pays $3,000 for it, he brings it into Canada and pays $1,000 by way of duty. That $1,000 goes toward helping to reduce his taxes, but if he buys the auto in Canada, where does that $1,000 go? It goes into the pockets of those who have taken advantage of the tariff. I am not a free trader entirely, but I cannot help thinking that the people of Canada have stood that sort of thing just about as long as they are entitled to. I will admit that in certain cases industries need protection until they get on their feet, but when they have been given protection for the last fifty years, almost until they have grown whiskers, it is about time the people of Canada stopped feeding them on the bottle.

In connection with taxation, a number of people say that taxation on income is not right, that it is driving people out of the country; that the sales tax is not a good tax, and is helping to drive people to the other side. In my opinion a tax on income is a fit and proper tax. It would be interesting to know how many of the people who are whining about this tax grew wealthy out of the war. If a man of means in this country refuses to pay income tax, it is up to the government to see that he does. We had slackers in the war, and we have them still. These people do not want to pay their fair share of taxation necessary to keep our people who went out and fought Canada's battle and who came back here maimed and broken. As for the sales tax, I know of no way that the government can collect money better than by imposing a tax at the source of production. I think it is a fair tax and that the government will make no mistake if they continue it and properly enforce it. In my judgment they have not a sufficient staff at Vancouver to enforce that tax as it ought to be enforced; however, that is for them to say. Then, there is the tax on liquor. A deputation came to me before I left Vancouver and said, "McBride, when you go down to Ottawa we want you to use your influence in having the duty reduced on liquor coming into this country." When I asked to what extent they thought it should be reduced, they replied from 50 to 100 per cent, and they added that if the duty were reduced by that amount the government would not lose anything, I said, "Does that mean that the consumption of liquor will be doubled if the duty on it is reduced?" They said yes. "Well," I said "when I go to Ottawa, under those conditions I will use all the influence I have to induce the government to double the duty on liquor." There is as good liquor manufactured in Canada as can be brought into the country, too much of the foreign stuff is used.

9 p.m.

There is one tax, though, to which I object, and that is the tax on demand loans. That, I think, is not a fair tax. If a man puts his own cheque in the bank for say, $20,000, he pays one dollar in taxes; up to last year it was two, but it was reduced, and I was opposed to that reduction. If he puts a demand note in the bank he pays no less than $32 a year. I say that is not fair. It may be in line with what the Scriptures say: "Who hath not, from him shall be taken that he hath." It may be the law of the country, but I say it is neither right nor just. It is giving the man who has the money an advantage to the extent of one and a half per cent over the man who has to borrow it in the bank, and I think that should be changed and changed at once. Indeed, I do not think that the government intended that it should be that way.

In regard to railway extensions, we have a railroad out there in British Columbia that could be an excellent feeder for the Canadian National. It has to pay interest on five and a half million dollars although it is not earning anything. I am referring to the line from Kamloops to Kelowna. It will cost about one and a half millions to complete that line, and it would be then one of the best feeders the Canadian National could have. Last year in apples alone about 6,000 cars were taken out of that section of the country. When the Canadian National take grain out to the coast it could take fruit back to the prairies, so that if this road were completed it would have traffic both ways. I think it is up to the government to see that that line is built with the least possible delay.

There is another line to which I would like to refer briefly, namely, an extension from the Grand Trunk Pacific into the Peace River country. I was fortunate while coming down here to be on the same train with Sir Henry Thornton, and I went into this question with him very fully. Just here I may say that the government and the people of Canada are to be congratulated upon having a man like Sir Henry Thornton at the head of the railways of this country. Indeed, I find that the men employed on these roads have but two desires since Sir Henry Thornton took charge: one is to give the very best possible service to the public of Canada, and the other to get these roads on a paying basis. I venture to predict that with the interest the employees are taking in these roads with Sir Henry Thornton at their head, within ten years

these roads that some people are suggesting should be handed over to some private company will be going a long way towards carrying the public debt of Canada.

But I am getting away from the subject of an extension into the Peace River country. Sir Henry Thornton said he was going into that country during the coming summer. What his decision will be I do not know; where he will decide that extension should be I do not know, but I will abide by his decision. However, I do hope that he will connect the Peace River country by the shortest possible route with Prince Rupert taking grades into consideration. I think that the Canadian National Railway will be well advised to build elevators at Prince Rupert and to put an extension into the Peace River country, for that country in a very few years would give the elevators all they could handle. Indeed, as I see it if there were an extension built into the Peace River country from Prince George or some place near there, it would put the western section of the Grand Trunk Pacific on a paying basis.

There has been a good deal said in this House in connection with the Hudson Bay railway, and I just wish to touch on that briefly. If it can be shown that that road would be a benefit to the farmers of Manitoba and the district through which the road runs, and that it would carry their grain to the markets of the world at a cheaper rate than they are getting at the present time, I say this government is in honour bound to supply the money to have that line completed. On the other hand, if it is going to cost more to ship the grain by that route the sooner the project is abandoned the better. The government should first figure out what it would cost to put the line in first-class shape and complete it. Then they would have to figure what it would cost to build a wharf and elevators at Port Nelson and what it would cost to put in the breakwater that would be required, and that would be an expensive proposition. They would then have to find out what it would cost to dredge a channel up to the wharf and the elevators, and what it would cost to keep that channel open from year to year. All those things would have to be added to the expense of taking the grain that way. Last, but not least, they would have to find out definitely what it would cost to take grain from that port to the markets of the world. Some people say that would be a hard problem to solve, but I would not think so. I would say that the government should get in touch with every steamboat company or steamboat organization there is and ask them to submit figures as to what they would be prepared to carry the grain for, provided all the necessary loading facilities were supplied at that port. Then when the government got that information and figured out what it was going to cost, they could easily size up whether the grain could be carried cheaper to the markets of the world by the Hudson Bay route or the present route. If it can be carried cheaper by the present route, forget the money that has been spent on that road. If it can be carried cheaper by completing that road, the sooner it is completed the better. Some people have made the statement that it is the sentiment of the people that the road should be completed. Sentiment may be all right in some ways, but it does not pay bills. I say it is up to this government before any more money is spent in connection with that road to get a definite estimate of what both the road and the harbour are going to cost.

Mr. M. C. SENN (Haldimand): Prior to the introduction of the amendment which now stands before the House, and which was proposed by my hon. friend from South Oxford (Mr. Sutherland), I had no intention of intervening in this debate, but outlining as it does the present condition of agriculture, and emphasizing the need of enlarging and retaining our home market, I feel that I should in justice to my constituents give to the House a few of my reasons for giving the amendment my whole-hearted support.

I wish to view the matter from the standpoint of agricultural interests almost entirely. Let me say that I recognize the fact that the interests of agriculture are almost identical with those of other industries in this country. The returning prosperity spoken of in the first paragraph of the Speech from the Throne, and enlarged upon by the mover (Mr. Kelly) and the seconder (Mr. Lapierre) of the Address, is not at all in evidence among the farmers of the district from which I come, and if one can judge from the expression of opinion by hon. members who have already taken part in this debate that prosperity is not enjoyed by the people of Canada as a whole. We must be grateful to a kind Providence for a bountiful harvest, but while we have reaped decided advantages therefrom our agriculturists are finding it increasingly difficult to meet their obligations. Many of them are having a struggle to live within their income, and dissatisfaction and unrest prevail generally. It is certain that not many of the agriculturists at least in the district from which I come are able to buy those automobiles of which the hon. member for Cariboo (Mr. McBride) spoke on which there was a duty amounting to $1,000.

This unfortunate condition of affairs is reflected in the migration of so many of our citizens. It is beyond dispute that many of our people are going to the United States, and I do not think we are justified in maintaining that we are gaining as many from that country as we are losing to it. In a trade return which I have in my hand for the year ending January, 1924, the total value of settlers' effects coming into Canada from the United States amounted to $4,640,293, while for the same period the value of settlers' effects leaving this country for the United States amounted to $9,669,731. That seems to be conclusive evidence that the balance of immigration is greatly to our disadvantage.

Speaking from a local standpoint, and I may be pardoned for interjecting local issues in some cases, I might inform the House that a man who owns a moving van in my own constituency has during the last six months of 1923 moved forty-seven families from that immediate neighbourhood to the city of Buffalo. The reason for this exodus is not hard to find. During the year ending January, 1914, I find by this same trade return, that we imported farm products into Canada from the United States amounting to $112,000,000. I have taken the trouble to itemize these commodities, and I find that we imported from that country during that period approximately $49,000,000 of farm products, such as are grown on Canadian farms, and that come into direct competition with our own produce. During that same year I find that we have an adverse trade balance with that country amounting to over $180,000,000. That in my judgment is the reason why people are trekking to the country to the south of us. So long as we send our gold and silver across the line to build up rival industries and to enrich that country, just so long may we expect our population to drift in the same direction.

The amendment of my hon. friend asserts the necessity of taking steps to retain and enlarge our home market. We who sit in the opposition benches are, unanimously I believe, of the opinion that there is only one way that this can be accomplished. I am sure we all feel the same way in regard to that, that we should impose customs duties which will protect our producers against undue competition with the produce of other countries in our home market. The hon. member for Leeds (Mr. Stewart) last night gave a number of figures to the House showing very clearly the relationship of customs duties on farm products entering Canada with those of farm products which are going to the United States, and I agree with him very thoroughly in his contention that the Canadian farmer should be afforded the same protection as his American brother enjoys in his own market. Steps are also necessary to retain our markets, but in this connection what do we find? As has been stated in the House this year on more than one occasion, the British preference on woollen goods was increased last year with the result that twenty of our woollen mills have been closed down and many others have been compelled to lower their output. The importation of woollen goods has been doubled, while the total wages of our woollen operators have been cut in half. Many of our workmen have been thrown out of employment. This innovation the Prime Minister last year characterized as a step in the direction of fulfilling his pre-election pledges. If the interpretation which has been placed upon the Speech from the Throne that agricultural implements are to be put on the free list is correct, the government proposes to imperil the life of another large industry and endanger the livelihood of another large number of our Canadian workmen. Every time Canadian workmen are thrown out of employment, and every time a Canadian citizen leaves this country to find employment in the United States, we are lessening the consuming power of our own people and diminishing the home market rather than enlarging it.

The constituency which I have the honour to represent lies close to the large and important city of Hamilton. If I am correctly informed it is the third city of industrial importance in the Dominion; two of the largest implement industries in this Dominion are located there, and the placing of agricultural implements on the free list would seriously imperil their existence if it did not close their doors entirely. This would be a serious menace to the business interests of Hamilton and to agriculture in the whole surrounding community. One of the largest creameries in western Ontario is located in my constituency, fourteen miles from that city, and I hope hon. members will pardon me for giving a local touch to what I have to say. A very large percentage of their products is marketed there. Any possible advantage which the farmers of that district might derive from the lowering of the price of agricultural implements—and I would be very much surprised if there would be any such result as that if we had free agricultural implements—I repeat any possible advantage which might be derived would be much more than offset by the interference with their markets which would result. I must confess that I cannot understand the attitude of the members of the Progressive party in the province of

Ontario who sit in this House. Surely they must realize the importance of retaining and enlarging our home markets. I have in my hand a trade return which I received lately and which illustrates fully the value of the home market to our farmers. It is a return which gives the particular commodities of farm origin, the production in Canada of those commodities for the year 1922 and also the proportion of that production which was exported. It starts out with wheat. The figures are as follows:

	Production in Canada 1922	Proportion of production exported Per cent
Wheat.. .. .. ..Bushels	399,786,000	53.5
Oats.. .. .. .. "	491,239,000	5.9
Barley.. .. .. .. "	71,865,000	20.3
Rye.. .. .. "	32,373,000	31.3
Peas.. .. .. "	3,429,000	7.7
Beans.. .. .. .. "	1,303,000	6.2
Corn.. .. .. "	13,798,000	0.2
Potatoes.. .. .. .. "	92,909,000	3.0
Hay and Clover.. ..Tons	14,488,000	0.4
Wool.. .. ..Lbs.	18,523,000	46.7
Butter.. .. .. "	252,501,000	5.98
Eggs.. .. ..$	48,770,000	2.01
Beef.. .. ..Lbs.	677,317,600	3.75
Pork.. .. .. "	710,449,872	6.82
Sheep and Mutton.. "	90,046,000	2.92

In many instances the amount of imports of these commodities nearly if not quite equals the exports. Surely, Mr. Speaker, it is very apparent that the home market is the greatest asset which the farmer possesses, and I sincerely hope nothing will be done to curtail it in any way. If we are to have a return of prosperity in this great and growing country we must have stability, and we must have confidence on the part of our people. The two great factors which are needed in this country to-day are increased population and capital to develop our resources. The stage is all set for a wonderful national development; we have the resources, we have the agricultural area, we have the transportation facilities, and if we adopt a sympathetic and appreciative attitude towards industry, towards labour and towards agriculture; in other words, if we assure to all classes reasonable markets, we cannot help but succeed. For these reasons, I think this amendment, calling, as it does, for measures to retain and to enlarge our home market, is well worthy of the support of every hon. member of this House.

Mr. N. H. McTAGGART (Maple Creek): Mr. Speaker, seeing that so much of this debate on the Address in reply to the Speech from the Throne has been taken up with tariff issues, I might say that I do not propose to take up very much time in discussing the tariff. I have, however, just a word or two to say regarding the inconsistencies of some of the arguments put forward by hon. members in the case for protection, and I desire to mention some misleading statements which have been made during the course of this debate. The least important, perhaps, of those statements, but the one which surprised me the most, was the statement made by the hon. member for Fort William and Rainy River (Mr. Manion) in connection with the importation of agricultural implements into Canada. I believe he gave the figures at $4,500,000. Yesterday afternoon, the hon. member for North Waterloo (Mr. Euler) gave the figure in connection with the importation of agricultural implements as $12,000,000 or $13,000,000.

I listened this afternoon with deep interest to the speech of the hon. member for Brantford (Mr. Raymond). I might say in regard to the splendid effort which he made, that I am thoroughly in sympathy with his concern regarding the question of national unity; but I wish to add this, that as regards the major portion of his speech, I am bound to feel that it will, if anything, hasten the day when the question of national unity may possibly hang in the balance. In my opinion, if we in this chamber would apply ourselves to the task of passing legislation which would be in the interests of and fair to all sections of this Dominion, we should have less to worry about the question of national unity. I might mention another misleading statement in regard to the revenue derived from the customs tariff as applied to agricultural implements which come into this country. The hon. member for Fort William and Rainy River did not take into consideration the fact that the purchasers of agricultural implements throughout this Dominion pay approximately the amount of the tariff on the implement which is produced in Canada. While I do not know what the figures in regard to Canadian production represent, I would point out to hon. members of this House that if they would take the case of the Ford company as an example, they would see that while the revenue derived by way of customs tariff from the importation of Ford cars into Canada is very small, nevertheless, Canadian purchasers of Ford cars pay millions of dollars into the pockets of the Ford company.

In regard to the argument as to the ruination of our industries if the tariff is lowered on agricultural implements, I have only this

to say—and then I will pass on—that the Canadian implement manufacturer is to-day competing in the markets of the world with the foreign producer, and in many cases, I believe, paying the amount of the customs tariff. In this connection, I would like at this time to make a proposition—I make it on my own account entirely—something that prior to this time has not been suggested in this House. If the manufacturer of agricultural implements or other merchandise were compelled to sell his article in the home market at the same price as that which he sells it in the foreign market, I do not think the Canadian farmer would offer any objection.

The question which I wish particularly to deal with to-night is a question which after all, notwithstanding the length of this debate, has not been discussed up to the present time. The question was suggested to me by something which the leader of the opposition (Mr. Meighen) said in his speech. He gave figures, showing that for nine months in 1923, I believe it was, approximately 17,000 people per month left Canada and went to the United States. Those figures were so startling that I thought it worth while to take up this particular question from the standpoint of the district from which I come, to examine into it and to see if it is possible to determine the reason, in the main, for those people going out. I might say that as regards the people who left western Canada, the major portion of the emigration to the United States was from that district. I live in an area in western Canada which members in bygone days in this House would remember very well. It is what is known as the pre-emption area. The pre-emption area in Saskatchewan and in Alberta represents about 61,000,000 acres of land. Back in 1908, at the time the Dominion Lands Act was passed, the lands within this area were, in the main, government lands. At that time, the policy of the government then in power was changed, and instead of those lands being granted to railway companies by way of land grants, a decision was reached to turn them over for settlement, part of them to be sold to settlers, and the proceeds from the sale of those lands was to be applied, as members of this House will remember, to building the Hudson Bay railway. The settlement of that area was very rapid after Manitoba and Eastern Saskatchewan were filled; but because of the fact that even in those days it was known that the pre-emption area in the main was an area where the rainfall is consideraly less than in other portions of Saskatchewan and Manitoba, it was decided that in order to farm successfully in that district, it was necessary to have more than one-quarter section of land. I see the Minister of Railways (Mr. Graham) in his seat, and I am glad he is with us, because I think he was a member of the House at the time that the Hon. Frank Oliver piloted this legislation through the House. There was much opposition at that time to the policy of giving an extra quarter section of land to the homesteader. I am not going to find fault now with the policy adopted then. I will say this, however, that at that time there was an insufficiency of knowledge as regards the character of that country, and on that account the people of that area to-day are unable to carry on agriculture to advantage. The condition to which I refer is this. In 1908 the Dominion Lands Act did not contemplate that there were sections of that area which were perhaps not as good as many other portions of the Canadian West. There were some areas which no doubt were of medium quality, some fairly good, and there were large areas where the soil was absolutely unsuited to agriculture, being fit only for grazing. The Dominion Lands Act, I say, did not take any cognizance of that fact; and because it did not, because there was no classification of lands made at that time, and settlers went on soils which were inferior, we have the present condition. Settlers came in from Europe and from the United States. The demand for homesteads at that time was very great and all these lands were settled upon indiscriminately. The settler who took up a homestead had the privilege of filing or entering for pre-emption, and the purchase price was to be three dollars an acre. At that time there were a large number of grazing leases in that area, and we have many of them to-day. At the time of the greater production campaign during the war there developed this situation: That area in common with others in western Canada was unfortunate enough to suffer a period of drouth. There were three or four dry years in succession which hit that particular district, and as a result of the conditions that obtained, many of the settlers on the inferior soil had to move out. This condition has remained unchanged up to the present time. Beginning with the year 1920, however, we were fortunate enough to secure heavier rainfall so that we have had since that time about three or perhaps four very fair crops. But the trouble which began during those dry years has existed up to the present time. To-day there are in that part of the country many of those settlers who took up homesteads at that time who are to-day unable to pay for their pre-emption. I

refer to those who settled on medium class soils. Those who settled on the better class of soils have in the main settled for their pre-emption and have discharged their responsibilities to the Dominion government; those who settled on the poorer soils have been unable to meet their obligations and to-day they are uncertain whether to carry on or not. The Department of the Interior has been endeavouring to collect the back payments upon these pre-emptions, and from time to time, owing to the energetic effort that is made in this direction, many of these people are compelled to move out of the country.

I desire now to deal with another situation that exists in that area and which is closely related to this matter. I have reference to the question of railway facilities. Because the area suffered from lack of rainfall the railway companies decided not to pursue an energetic campaign of railway construction in that part of the country. To-day we have in two sections of that area a very desperate state of affairs in the matter of railway facilities. I will refer to these two sections at this particular time because I believe the matter is one of great importance and illustrates the general situation. West of Swift Current the Canadian Pacific Railway some years ago built a branch line to the Alberta line and close to the Saskatchewan river. But between that railway and the main line of the Canadian Pacific Railway, the distance in places is as far as from the city of Ottawa to Montreal. I do not know whether I should be safe in saying hundreds, but undoubtedly many dozens of farmers in that district are hauling grain to-day, say, a distance equal to that between Ottawa and Smith's Falls. The Canadian Pacific Railway have a charter to build a line through this area known as the Leader South Cantour Railway, but because they obtain all the trade north and south there seems to be no disposition on their part to proceed with the building of that line. The bill which passed this House last session would have served a very large area south-westerly from the town of Bengough in the eastern part of that section. I believe that when the Branch Lines bill passed this House last year there was general rejoicing in that district, for the people expected that the realization of their dream was imminent. But the bill did not become law and for that reason to-day many of those settlers are moving out of that area. I might mention an experience I had in that part of the country last fall. I drove from the town of Limerick fifty-two miles through the district that would be served by the branch line projected in the bill last year. I attended a rally that was held for the purpose of talking matters over, and at its close I was amused to learn of the manner in which the people of that district had contemplated impressing upon me the fact that they were so far from a railway. They had planned to compel me to walk back to the railway. I am glad to say that they did not put that intention into effect, but I am sure that I was sufficiently impressed with the long and weary miles over which those people have to haul grain.

There is in that particular area another condition that is responsible for the depopulation of the land. I am not going to deal with this question at great length to-night because it has been dealt with in the House before. I am referring now to the disparity in prices between what the farmer pays for the things he buys and what he receives for the products he sells. Suffice it to say that for most of the things which the farmer purchases the price has either remained stationary or has increased, whereas in regard to the things that he sells he gets no advantage. Let me give an illustration. For the past two years on my farm I have desired to buy a drill. I went to see the agent of a company whose headquarters are at Brantford. He quoted me the price of a new drill. I replied, "The price apparently has risen again, and I don't feel able to buy now." Upon inquiring the price of new discs for my old drill, purchased about eight or nine years ago, he quoted me $7.00, which would be equivalent to $140 for the complete drill. I do not remember what I paid originally, but I feel sure that that is close to the old price.

I have read the Speech from the Throne with very much interest and with some satisfaction. I am glad to notice that the government is at last apparently going to take a step in the right direction. For many years there has been a flirtation with the god of high protection, and I hope the government will now have the courage to carry out the programme which they have outlined to lessen the cost of living in the Dominion.

On motion of Mr. Lapointe, the debate was adjourned.

On motion of Mr. Graham, the House adjourned at 9.45 p.m.

Friday, March 14, 1924

The House met at three o'clock.

SUPERVISION OF RADIO

On the Orders of the Day:

Mr. W. F. MACLEAN (South York): I should like to bring to the attention of the government a matter of urgent general interest to the general public. In the New York Times of March 12, its Washington correspondent makes this announcement.

More effective governmental supervision of radio communication, including authority to defeat attempts to monopolise the ether, was recommended to the House Committee on Merchant Marine to-day by Herbert Hoover, Secretary of Commerce.

Secretary Hoover, in his address, gave his approval to the purposes of the pending White bill, which aims to prohibit monopoly of radio communication, allowing the Interstate Commerce Commission to review the rates charged for such service and laying down drastic regulations governing the issuance of licenses by the Secretary of Commerce for the operation of broadcasting stations.

Is such provision for the protection of the public being made by the government of Canada? I would ask the acting Prime Minister (Mr. Graham) to let the public know whether any proposal looking to a monopoly of radio communication has been made in Ottawa.

Hon. GEORGE P. GRAHAM (Acting Prime Minister): The question of radio is not only new, but intricate, and I would not care to give an answer offhand. As a matter of law and of practice, the management of radio is in the hands of a branch of the Marine department. Licenses are issued; regulations are in force at the present time; inspection takes place; and a small fee is paid, of course, largely for the purpose of paying for this inspection. There has been communication, whether it has been of late or not, between the governments as to the proper control of radio, as there have been or are likely to be so many broadcasting stations that the conflict of the air waves interferes with proper communication.

PRIVILEGE—MR. MEIGHEN

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, I regret very much to have to rise to a question of privilege. I have observed in an address given by the hon. member for Rimouski (Mr. d'Anjou) in this House on the 10th instant, words which attribute to me language as respects which I want to make contradiction. I will read or attempt to read the exact language of the hon. member as it appears at page 197 of Hansard:

Le chef de l'Opposition ne veut pas se rappeler qu'il a été le principal insulteur de notre province et de notre race et que les partisans qui se tenaient à ses côtés faisaient la même sale besogne. Qu'il n'oublie pas une chose: les électeurs de la province de Québec, toujours fidèles à leur devise, se souviennent. Ils se souviendront qu'au cours de la Grande Guerre si nous avons connu des jours de tristesse et de deuil nous les devons au chef de l'Opposition et à son parti; ils se souviendront, d'autre part, qu'ils peuvent avoir confiance au chef du parti libéral, l'honorable premier ministre, qui a su garder son bon sens alors que presque tous ses compatriotes perdaient la tête pendant la guerre, et qui, fidèle à ses principes, étant Canadien avant tout, a su se ranger aux côtés de ceux qui voulaient protéger leur pays avant de défendre l'Empire.

I have read all, that the context might be seen and no injustice done. I will read the translation as I make it:

The leader of the opposition does not wish to recall that he has been the principal insulter of our province and of our race and that the partisans who cling to his side engaged in the same dirty work. Let him not forget one thing: the electors of the province of Quebec, always faithful to their motto "Remember". They will remember that in the course of the great war if we experienced days of sadness and of mourning we owe it to the leader of the opposition and to his party. They will remember, on the other hand, that they can have confidence in the leader of the Liberal party, the hon. Prime Minister, who has preserved his good sense when almost all his compatriots lost their heads during the war, and who, faithful to his principles, being a Canadian before all else, has ranged himself on the side of those who desire to protect their country before defending the Empire.

It is to the first feature alone that I have a right to refer on this occasion, that which ascribes to me an insult to the province of Quebec and to the French-Canadian race. I only desire to say that no words of mine were ever spoken or can be found uttered in this House or out of this House in my entire public or, indeed private life, that afford the slightest foundation for the grave, and I had almost said, base, allegation of the hon. member for Rimouski. This denial I have made repeatedly, and in the whole carnival of calumny on this question no one has ever attempted to substantiate the allegation, so far as I have ever seen, by quotation from my words. The next is more brief:

Le chef de l'opposition semble vouloir agir de la même façon que sir John-A. Macdonald; il vient dans notre province flagorner notre clergé après l'avoir fait insulter.

The leader of the opposition seems to wish to adopt the same methods as Sir John A. Macdonald; he comes into our province to toady to our clergy after having insulted them.

I can scarcely find words to describe this language. My only right, however, is to deny the allegation as I now do in the strongest possible terms. I can hardly conceive the type of mind which would ascribe that conduct to any person without the slightest foundation in fact. One more sentence:

Il a oublié qu'il fait partie de cette ligne de fanatiques qui travaillent à rabaisser autant que possible l'élément canadien-français et qui tâchent d'écraser tous ceux qui ne partagent pas leurs opinions.—

He has forgotten that he is a member of that league of fanatics who labour to crush as far as possible the French-Canadian element, and who seek to wipe out all those who do not agree with their opinions.

I do not know what league is referred to. If the hon. member would be more specific my denial could also be equally specific. I only say that I am a member of no league at all, either in this country or in any other, nor am I a member of any secret society, neither am I a member of any order, nor have I ever been.

BANFF PARK WATER POWER

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): Can the Minister of the Interior (Mr. Stewart) inform the House what action if any has been taken with respect to the application for water power privileges in the Banff National Park?

Hon. CHARLES STEWART (Minister of the Interior): There is before the department an application on behalf of the Calgary Power Company, but nothing has been done in the matter; no definite conclusion has been arrived at.

RUSSIAN TRADE DELEGATES

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Centre Winnipeg): Does the government's reception of the trade delegates from Soviet Russia mean the recognition of the Soviet Republic? Does the recognition by England of Soviet Russia involve recognition by Canada?

Some hon. MEMBERS: No.

Hon. GEORGE P. GRAHAM (Acting Prime Minister): That is a large constitutional question, which I think will be referred later to the Minister of Justice (Mr. Lapointe). At this moment the gentlemen to whom my hon. friend refers are in this building. I have had a conversation with them and with some of my colleagues have received the delegates and discussed trade matters with them. As to recognition of Soviet Russia, I do not know what such recognition on the part of England means so far as Canada is concerned; but in relation to the question of trade, I can only say that we are doing business on our own hook.

HUDSON BAY RAILWAY

On the Orders of the Day:

Mr. JOSEPH ARCHAMBAULT (Chambly and Vercheres): I want to call the attention of the Minister of Railways (Mr. Graham) to an editorial that appears in the Montreal Gazette of to-day in which Mr. A. E. Warren, general manager of the Canadian National Railways, western region, is reported as stating that the Minister of Railways has ordered full speed ahead on the Hudson Bay railway. Is this statement correct, and has such an order been given?

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I am glad that my hon. friend has called my attention to this matter because the definition of the phrase "full speed" may not be fully understood.

Mr. MEIGHEN: The Minister of Agriculture (Mr. Motherwell) has defined what that means.

Mr. GRAHAM: I am afraid this definition might not answer this query. Last year, as hon. gentlemen will remember, a certain sum was voted to rehabilitate or to repair and put in operating condition a certain portion of the Hudson Bay railway that has deteriorated during the past few years The estimate having gone through the House late, as nearly all estimates do under our system, very little of that money was expended. I had a conversation with Mr. Warren the other day concerning the matter with a view to taking some steps to expend a certain amount of money that I proposed to put in the estimates, and I believe the Canadian National Railways would be justified in proceeding with the work as soon as possible, trusting to the estimate going through the House.

LOBSTER FISHERIES REGULATIONS

On the Orders of the Day:

Mr. A. J. DOUCET (Kent, N.B.): Have representations been made to have the lobster fisheries regulations for the district of South Kent and Westmoreland in the province of New Brunswick altered, changing the date of August 16 to August 1 of each year? If so, what decisions has the Department of Marine and Fisheries arrived at in the matter?

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): A petition has in fact been received by the Department of Marine and Fisheries in connection with this matter but no definite action has so far been taken.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

Consideration of the motion of Mr. Kelly for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed amendment thereto of Mr. Sutherland, resumed from Thursday, March 13.

Hon. ERNEST LAPOINTE (Minister of Justice): I desire first of all to offer my congratulations to the mover and seconder of the Address. These hon. gentlemen had a fine document to comment upon and I think they have availed themselves splendidly of that opportunity. I may remark also, before I go further, how pleased I am and the members of the government are at the manner in which the Speech from the Throne has been received by the country.

An hon. MEMBER: By Brantford?

Mr. LAPOINTE: I expected that; I shall come to the point in a moment. The Speech from the Throne has received the commendation of all friends of progressiveness and of those who desire to uphold in Canada liberal ideas, liberal principles and liberal policies.

Mr. STEVENS: There is still a suspicion over here.

Mr. LAPOINTE: On the other hand, it has been criticised by those who belong to a different school. Let me confess to my hon. friends opposite that there are some expressions of approval which I would rather not receive because they would cause me to doubt the correctness of my own line of action. My hon. friends need not point to any member on this side. I am not aware that any supporter of the government has said that he is going to vote against the Address; quite the contrary. I am not surprised at the disappointment of my right hon. friend the leader of the opposition (Mr. Meighen) and his associates. The announcements made by His Excellency in his Speech, including the promise of a balanced budget at the end of the present fiscal year, are a decisive answer to the campaign which they have been waging throughout the country during the last six months. The citadel of misrepresentation, so industriously built up by speakers and writers in that pen-and-mouth disease which has raged throughout Canada—that citadel has crumbled. My right hon. friend in his speech on the Address—which was clever, as are all his speeches—obviously expressed the policy of his party, but it was singularly uninspiring. His speech was great in small things, and small in great things. What ray of hope is set before the eyes of young Canadians; what spirit of confidence did he place in their minds and hearts; what message of faith did he deliver to them? Nothing, Sir; nothing but dismay and bitterness. The right hon. gentleman, trying to throw ridicule on the Speech from the Throne, said it was a collection of hopes. Well, if we contrast his own speech with the Speech from the Throne, I am sure we shall all agree that it was an accumulation of discouragement and despair. Unwittingly he has paid a compliment to his opponents. Yes, the Speech from the Throne is a message of faith, of confidence, of life, of progress. The world is moving—I know my hon. friends will smile at that; the mere mention of the word liberalism gets on the nerves of those gentlemen—the world is moving, and we as a young country must move with it, we must set our vision towards the rising sun; looking at the past will not be of much avail.

An hon. MEMBER: You are looking West.

Mr. LAPOINTE: Politically, west, south, east and north—we on this side of the House are not sectionalists. Social, economic and political systems are clashing in the world today as were the armies on the battlefields five years ago. The victory will rest with those who properly protect and safeguard the needs and rights of the masses, of the producers and of the labouring men. But, Sir, in that battle, as in its counterpart of five years ago, the victory will not side with those who merely use defensive tactics and refuse to move forward.

What constructive statement can be found in the utterances of my right hon. friend, the leader of the opposition, delivered in this House the other day? Apart from unfair depreciation of his opponents, what did it contain? What remedy did he offer, what suggestion did he make? I ask any hon. member and I ask the people of this country, where can they find a constructive suggestion in the speech of my right hon. friend? But I am not surprised at the absence of anything constructive. At a banquet tendered to him last year by his followers in the House of Commons and the Senate, he announced that this will be his policy for some time. I do not want to be unfair to my right hon. friend, I quote his own words as reported in the Ottawa Journal of April 18, 1923:

> I never can be moved from the discharge of that duty, continued Mr. Meighen, by the importunities of those who think otherwise, by the impatience of a section of the press, nor by any device, however resourceful. I am confident that a foundation of distrust in this administration must be laid by convincing the public that the whole of the past Liberal campaign was dishonest from the beginning.

Mr. MEIGHEN: Hear, hear.

Mr. LAPOINTE: I knew I would strike the heart of my right hon. friend. He continued:

As soon as we get that conviction general we shall have the foundation on which later constructive policies may be successfully built. That is our first duty, and towards that we have to concentrate our efforts.

Mr. MEIGHEN: Hear, hear.

Mr. LAPOINTE: So my right hon. friend agrees still with that statement of his, that his only duty is to lay a foundation of distrust in the government of the day, and then later, when he shall have been successful, will be the time for constructive policies. Mr. Speaker, no other public man in Canada ever expressed such a statement.

And he has kept his pledge. The sole object of the campaign which has been conducted throughout the country during the last few months has been to hamper the work of those who have to clear up the ghastly muddles and messes which he and his friends have bequeathed to his successors,—what you, Sir, a lover of the classics would call damnosa hereditas. Of course, he has been supported in this campaign by all those who hate liberalism, particularly because they distrust and despise the people. He has been helped by those who are seeking more privileges and know that they cannot get them from the democratic government which is now in power. Read certain speeches, analyze certain statements that have been made, and you will see that this propaganda was a curtain-raiser for a demand for higher protection. The President of the Ontario Liberal-Conservative Association in Hamilton the other day, when organizing a branch there, said:

We are organizing to chase from Ottawa this terrific-tariff-cutting government which is in power.

Some hon. MEMBERS: Hear, hear.

Mr. LAPOINTE: My hon. friends say, "hear, hear," but not very long ago they voted for a motion of the right hon. leader of the opposition which declared that we had broken our pledges in that we had not made any reduction in the tariff. I confess that I admire that Tory consistency.

Is the trade of Canada declining? Is failure going to be the outcome of Canadian industry and enterprise? Amid the confusion that has been created in the public mind by lugubrious utterances concerning the things that are hampering our prosperity, there is at least one fact that furnishes solace and courage and ground for a sane judgment on the situation, and that is that our production is increasing all the time and that the national wealth is larger than it ever was. Mr. Speaker, the statistics show that our national wealth is great, and Canadians should not slander their country—indeed, some of them are even slandering themselves for the purpose of achieving some selfish interest. The statistics show that the trade of Canada has enormously increased; that, as I have said, it has never been larger than it is to-day. Our exports are greater, and the balance is in our favour. Every time a domestic loan is floated, either by this government or by the provinces, there is money in Canada to subscribe to it. My right hon. friend said the other day that the number of business failures resulting in bankruptcy was increasing; I have here the statistics to show they have decreased fifty per cent during the last year. And yet the "whisperers of death," the disgruntled politicians, and the seekers of privileges, are claiming that all this means nothing and are adducing arguments to prove that the more trade the less wealth, the more exports the less prosperity. My right hon. friend devoted one hour of his time the other day to setting forth such an argument. Imagine what he would say if the figures were the other way.

Reference has been made to the fact that a number of our population have left the country. It is unfortunate that it should be so, but I do not hesitate to say that if men are leaving this country, those who are primarily responsible for it are the whisperers of death, the preachers of blue ruin, the men who say that Canada is to-day a land of desolation, taxes and debts. The young Canadians of to-day will never forgive those who have been slandering their country. I say that Canada and Canadians should be grateful to Providence for the condition in which our country finds itself compared with that of other nations of the world after the crisis which, in common with those other nations, we have gone through. The conditions in Europe are still affecting us. If there is one thing which the war and its effects have taught the people of the world more clearly than anything else it is the interest that every country has in the social and economic life of every other country. We are all interrelated peoples, as individuals, and what does injury to one country does injury to all the countries. Problems which are international in their scope cannot be easily remedied by purely national solutions. That is why I am a strong advocate of a league of nations. Unfortunately, the world is not yet at peace; far from it. Such a prudent and distinguished statesman as Lord Grey of Falloden said at Bath only the other day that he felt it his duty to tell his hearers that things were going from bad to worse in Europe and were shaping, if not

immediately, almost certainly, toward another war. From this side of the Atlantic we must certainly say that we do not see any great improvement on the other side. Peace has not resumed its sway over the hearts and minds of men. Stability of currency, which is so necessary to the rebuilding of the shattered fabric of international trade, is not yet apparent. We have seen recently the Belgian franc, the French francs, the German mark, the Russian rouble, suffer fantastic declines; and the same thing has happened in most of the European countries and even in some parts of South America. Canada is standing the test with flying colours, in spite of the whisperers of death. We should be proud of it; we should be grateful to Providence for it, and we should not recriminate as some gentlemen have done for the last few months. I am pleased to see that they seem to realize the error of their ways: for the last few days we have not heard much about our awful financial condition; we have heard only about the tariff. My hon. friend from Vancouver Centre (Mr. Stevens) who is a fine speaker—none better, from the parliamentary viewpoint, in this House—applied himself during the whole of his speech yesterday to the tariff and merely to that. He implored me to convert my speech into a budget speech, because he asked me to give him the details. Let me tell my hon. friend that in his address he was not as logical as he usually is. He said that nothing should be stated in the Speech from the Throne concerning the tariff. Of course this has been done before.

Mr. MEIGHEN: He did not say that.

Mr. LAPOINTE: Nothing explicit, he said. Am I right now?

Mr. STEVENS: I stated that it was not according to constitutional procedure in this House to anticipate the budget in the Speech from the Throne by declaring any specific reductions in duties on particular articles or classes of articles.

Mr. LAPOINTE: And yet my hon. friend, having stated that it is against constitutional authority or practice to declare in the Speech from the Throne what will be the specific measures with respect to the tariff, has asked me to give him that in detail.

Mr. STEVENS: No.

Mr. LAPOINTE: Well, my hon. friend was addressing himself to every one of the ministers.

Mr. STEVENS: I asked for an explanation of an ambiguous clause.

[Mr. Lapointe.]

Mr. LAPOINTE: He says that it should not be specific, and that we should make it still more specific.

Mr. MEIGHEN: After the harm is done.

Mr. LAPOINTE: Then he turned in the direction of my Progressive friends to his left and warned them that nothing would be done. So it is not explicit, as my hon. friend says.

The other fault he had to find with the government—I do not know whether it is a great fault—was that on two occasions this debate has come very close to an end and to the taking of a vote and my hon. friend was horrified at the prospect of a vote being taken on the amendment. Why, in the press, even in newspapers supporting my hon. friend, we see complaints that this debate is much too long, that it is costing the country $30,000 a day—by the way, while I mention that figure, which I see repeated in all the newspapers of the land, may I say that it is wrong.

Mr. MEIGHEN: Hear, hear.

Mr. LAPOINTE: May I at least remove that sin from the conscience of my hon. friends opposite. I am informed that the real cost to the country of a session of parliament is $55,000 per month, because the rest of the expenditure is spread over the whole year whether there is a session or not. So $30,000 a day is a little too much.

Though it may please my hon. friend from Vancouver Centre, than whom I have no better friend, I really cannot agree to make a budget speech to-day, and I shall speak of something else. The details he is so anxious to receive will be officially given in the budget speech which will be delivered in a few weeks.

May I address myself now for a little while to some statements which have been made by the leader of the opposition in the country, some of which he has repeated in this House? My right hon. friend has carried on a campaign in Canada. We have been pleased to see him in my own province. He made a fine pilgrimage through the province of Quebec, in the course of which we were pleased to see him distribute medals to the schools, colleges and convents. But we were not so pleased to see him distribute misrepresentations of facts to the rest of the people of the province. He frequently at his meetings repeated what I had stated with regard to the net debt of Canada, that the net debt of Canada per capita was lower than the debt of Great Britain and of the other British Dominions. My right hon. friend agreed with that, but then he asked: "Why does

not Mr. Lapointe then say why our taxes are higher?" My right hon. friend asks me a difficult question when he asks me to give the reason, for the simple reason that I cannot find a cause for an effect which exists only in his imagination. My right hon. friend was wrong every time he stated that taxation in Canada is higher than in Great Britain and the other British Dominions. Canada has the lowest taxation of them all.

Mr. MEIGHEN: No.

Mr. LAPOINTE: I was expecting my right hon. friend to say No, and I have come with some ammunition. The first thing I did was to inquire as to the income tax and I have here an official communication from the Commissioner of Taxation, comparing the income tax in Canada with that paid in Great Britain and the other British Dominions. This is a very interesting statement:

Rates applicable to 1923 Income—Married person—No dependents.

Exemption: Canada, $2,000; Great Britain, $1,095; Australia, $973; New Zealand, $1,460.

Income	Canada	Great Britain	Australia	New Zealand
$ 2,000	.....	$ 82 12	$ 62 43	$ 50 01
3,000	$ 40 00	246 37	121 91	158 26
5,000	126 00	684 37	291 70	489 62
10,000	619 50	1,779 37	965 06	1,776 00
20,000	2,089 50	4,915 33	2,945 28	5,648 05
30,000	4,084 50	8,930 34	7,787 09	11,046 88
50,000	9,649 50	18,298 67	16,645 87	18,581 30

I will not ask the House to bear with me while I give the taxation on every income. Let me only say that the taxation continues in the same proportion until you reach incomes of between $150,000 and $200,000. On an income of $200,000 the Canadian pays $97,-849.50, while in Great Britain the taxation amounts to $94,948.67. The same proportion continues until you reach an income of $1,000,-000, but my right hon. friend will agree with me that the number of Canadians who pay taxes on an income of that size is rather microscopic and that the bulk of the Canadian people is less heavily taxed than the people of Great Britain and the other British Dominions so far as income tax is concerned.

Mr. MANION: What about municipal taxation?

Mr. LAPOINTE: Let us come to that. I asked the Bureau of Statistics about it and here is the answer I received:

The taxation revenue per head of population in the United Kingdom is $79.37.

The taxation revenue per head of population in Australia is $43.09.

The taxation revenue per head of population in New Zealand is $60.97.

The taxation revenue per head of population in Canada is $36.67.

Mr. STEVENS: If my hon. friend will permit me, he does not mean to suggest that is the taxation revenue, he means the income tax revenue?

Mr. LAPOINTE: Oh no, I will give the details if it suits my hon. friend.

Mr. MANION: Does that include provincial taxation?

Mr. LAPOINTE: It does so far as Australia is concerned, it does not in the case of the other countries which are not administered in the same way. But the proposition is so vastly different that we have no hesitation at all—and any expert in taxation I have spoken to agrees in saying that Canada is the lowest-taxed country in the British Empire.

Mr. CLARK: Have you the figures with respect to the United States in that statement of taxation revenue?

Mr. LAPOINTE: Well, I have just read in the Congressional Record of the United States a speech by a gentleman whose name I cannot remember, the chairman of the Appropriations committee, and his statement is that the United States is the most heavily taxed country in the world. I agree with my hon. friend that the income taxation there is less than in Canada, but they have all sorts of other taxes which weigh heavily on the shoulders of their population, and any American will tell you so.

Mr. CLARK: My hon. friend did not ascertain the figures from the Bureau of Statistics.

Mr. LAPOINTE. I did not. My reason for not doing so is that my conflict with the right hon. gentleman (Mr. Meighen) has reference to the financial position of the British Dominions and not the United States.

Mr. STEVENS: I understood my hon. friend to say that the taxation revenue for Canada was $36 per capita?

Mr. LAPOINTE: Yes.

Mr. STEVENS: I am quite sure that the impression my hon. friend is giving is wholly wrong; it may not be intentional on his part, I am sure it is not. The per capita taxation of Canada is somewhere around $250 per head.

Mr. LAPOINTE: No, that is the debt per capita, not the taxation. I have in my hand a statement by Sir Henry Gibson, chairman of the Parliamentary committee of the National Union of Manufacturers in Great Britain. I took it from the December number

of the English Review. I quote it in part:

Since the recent great war, owing to the fact that we have balanced our budget and are paying off our debt, our taxation is much higher than that of any other country in the world, thus increasing the cost of home manufactures.

There is no doubt as to that, and we must admire Britain in that respect. Whatever else can be said of Britain it must be conceded that she deals earnestly with serious problems. Britain financed her Allies during the war. She did not repudiate any debt. She did not leave the payment of those debts to posterity. She has taxed her people heavily, she is meeting her obligations, and she is giving to the world an example of honest international dealings. All honour to Great Britain for that! But, Mr. Speaker, we could not do the same in Canada, probably on account of our proximity to the United States.

Mr. MEIGHEN: Hear, hear.

Mr. LAPOINTE: My right hon. friend says "hear, hear," and he is right. But why complain of our heavy taxation when other nations, and other peoples, are a good deal more heavily taxed than we are?

4 p.m. A gentleman was saying the other day, an acquaintance of my right hon. friend, that our income taxation in this country was a confiscation of capital. He was wrong, and I have shown he was wrong. Moreover if you decrease the income tax, when it has been decreased with the present financial condition of the country, somebody else will have to pay. That gentleman would like to confiscate the comforts of life which poorer people have, but which they could not have if the price of the commodities they use was increased.

My right hon. friend referred many times to the French treaty. On all platforms from which he spoke in the country he did so. He also referred to the subject when the leader of the government was speaking the other day. Of course, in his opinion that treaty is no good; it never had any merit. It pleases my right hon. friend to throw ridicule on the French treaty. He said the other day that apart from wheat our exports to France had decreased.

Mr. MEIGHEN: No.

Mr. LAPOINTE: Well, Hansard will show. My right hon. friend is suffering from loss of memory.

Mr. MEIGHEN: I rarely suffer from that. What I said was this—that the whole increase, and more than the increase, was made up by wheat and other goods not affected by the treaty.

Mr. LAPOINTE: I think my right hon. friend is wrong even in that contention.

Mr. MEIGHEN: That is what I was told by a government officer.

Mr. LAPOINTE: There are many articles in which there was a heavy increase. My hon. friend for Brantford (Mr. Raymond) referred yesterday to the subject of agricultural implements. Since the treaty came into force we have exported $1,431,428 of agricultural implements. That is since September last. During the same period of last year we exported $796,842 worth. There has been an increase of 100 per cent in agricultural implements alone. And let me say en passant that I am pleased to see that the manufacturers of implements can compete with the world on a foreign market. There has also been an increase in various articles, mainly parts of automobiles, electrical apparatus, and aluminum ware. I have a further authority which my right hon. friend will not dispute. In July last the annual convention of the Canadian Manufacturers' Association was held in Toronto. Attached to that body is a tariff committee which presented a report. That report appeared in the July issue of Industrial Canada and here is what I read:

The Convention—

Meaning the treaty.

—removes all discriminations against Canada in favour of the United States, and in addition provides for substantial tariff preference on a considerable list of the products of each country.

And that report was carried unanimously. Surely the hon. member for Vancouver Centre (Mr. Stevens) will remove from his mind this idea of brandy and wine with regard to the French treaty and admit that we did some good and that the manufacturers of the country have received it with commendation.

Mr. CHAPLIN: Would the hon. gentleman give us some returns in respect to lobsters and salmon?

Mr. MEIGHEN: And condensed milk?

Mr. LAPOINTE: If my hon. friend will put that question on the order paper, I shall be glad. I cannot carry that information about with me.

There is another treaty which has received the sarcastic criticism of my right hon. friend (Mr. Meighen). I refer to the famous Hali-

but treaty. My right hon. friend has paraded the Halibut treaty from the Atlantic to the Pacific for the last six months. He has charged me with having "elbowed aside" the British Ambassador at Washington for the purpose of affixing my signature to that treaty, and he has repeated periodically that, as a result, the treaty is not valid; that the United States Senate has refused it, and that there is no Halibut treaty. My right hon. friend knows that that statement is not according to the facts. Last year, when the treaty was under discussion in this House, he admitted that the signature had nothing to do with the attitude of the Senate.

Mr. MEIGHEN: Oh, no.

Mr. LAPOINTE: My right hon. friend admitted it.

Mr. MEIGHEN: No.

Mr. LAPOINTE: Will my right hon. friend permit me, to-morrow, to quote what he said on that occasion?

Mr. MEIGHEN: Yes.

Mr. LAPOINTE: Thank you, I will. Another instance of loss of memory! Let me tell my right hon. friend that the signature on the treaty had nothing to do with the rider which was attached by the Senate afterwards. The Canadian government took the stand that, as this was a purely Canadian affair concerning only Canada and the United States, the treaty should be negotiated and signed by a Canadian minister, and it was so signed. Unfortunately, this was at the end of a session of the United States congress. The treaty was submitted to the Senate of the United States in the dying hours of the session, and that rider, which had nothing to do with the signature, which was for the purpose of changing the wording of the treaty, wording which had been prepared and suggested by the Americans themselves, was not called to the attention of the authorities of the United States. I may tell my right hon. friend that he is mistaken in his prediction. I have the strongest assurance on the strongest authority that the Senate of the United States will not insist on that rider, and that the treaty will be ratified at the present session of Congress.

Mr. MEIGHEN: The statement which I made and which the hon. member contradicted was that there was no Halibut treaty. Does he say again that there is a Halibut treaty?

Mr. LAPOINTE: There is a treaty which waits for the ratification of the American Senate, and I have every confidence that it will be ratified.

Mr. MEIGHEN: There may be, some day.

Mr. LAPOINTE: This prediction of my right hon. friend is no more founded than is his prediction about the result of the next election. When my right hon. friend ventures predictions on the next election, in order to be taken seriously, he says as he did in Toronto the other day: "Gentlemen, the next government will be the most unpopular in the history of Canada." It will have to go a long way to beat the record of the National Liberal and Conservative government.

Another statement of facts which I desire to correct, since I was a party to the controversy, is with regard to the cancellation of a contract which was granted to Canadian-Vickers after the election of 1921 for the construction of an ice-breaker for an amount of $1,580,000. My hon. friend said the other day that the amount was about one milliion dollars. It is $1,580,000, and the Mikula which has been purchased by the government has cost, laid down at Quebec in first class repair, a total of $437,115.73. This includes all the repairs which were made after a certificate of Lloyds had been secured. The vessel was delivered to Canada as good as new, and the country has saved over one million dollars, my hon. friend nothwithstanding.

There is another fact which was criticized while my right hon. leader (Mr. Mackenzie King) was speaking. This is in connection with the famous dry-dock at Victoria. My leader was told that that dry-dock had been started in 1911. Of course, it had nothing to do with the elections! These are the facts. In 1911, an application had been made by a private company, under the name of the Esquimalt Dry-dock and Shipbuilding Company, for the usual subsidy granted for the construction of a dry-dock; but this was abandoned and nothing was done until 1914. Then the government purchased land for constructing a dry-dock at Esquimalt at a cost of $346,221.25. Curiously enough, however, it was demonstrated that this land was not suitable as a site for a dry-dock. It is still there unused; I saw it there last fall. But it was only on the 24th December, 1919, a month or so after the election of my good friend, the hon. member for Victoria City (Mr. Tolmie) that an order in council was passed granting authority to expropriate a new site called Skinner's Cove. This new site has cost the country $54,388.03. When this government came into office, a sum of over $1,000,000

had already been expended, and, of course, the construction of the dry-dock had to be continued. I am afraid that is not the only expenditure at Victoria which has left on the country a crushing load. I have in my hand a document concerning the construction of four wooden ships at Victoria. Under an order in council, passed during that same month of December, 1919, Canada agreed to furnish for each vessel a sum of $175,000, the builders having to contribute a sum of $75,000. The country was to have a first mortgage on the vessels, bearing interest at the rate of 6 per cent per annum. I will not, however, discuss this matter except to give the result and to show when there was such extravagance in the administration of the affairs of the country as is described in certain newspapers. The country has paid $644.050.65 for the construction of those four wooden ships. Only one of them has been completed, and it had to be completed by the government itself, the material being sold afterwards. The whole revenue to the government amounts to $32,-063,.60 out of $600,000. The boat was sold for $22,000, the materials for $9,000, and sundries $1,063.60. What is queer about the whole transaction is that my predecessor in the Department of Marine was strongly opposed to the giving of that money for the construction of wooden ships at Victoria. I have a letter written by him to my hon. friend, the then Minister of Finance, and also a letter from him to the Right Hon. Sir George E. Foster, prior to the passing of that order in council. Later on—and this is still more conspicuously strange—I find a letter from him dated April, 1920, which reads:

Dear Dr. TOLMIE,

I have given the matter further consideration regarding the Marine Department's supervising the construction of brigantine sailing ships that are being built largely at public expense at Victoria. You are aware that I was very much opposed to this proposition from the start, and, while I would like very much to oblige you, I really cannot have anything to do with it myself nor allow my department to be connected with it in any way.

Yours faithfully,

C. C. BALLANTYNE.

What does this mean? It means that that government gave $600,000 of the money of the country to a company for the construction of four wooden ships with which the Minister of Marine refused to have anything to do, and refused to allow the supervision of the work in a proper way, and the result is that the country has lost practically all the money that was given. This is an example of the administration which we had prior to December, 1921.

[Mr. Lapointe.]

Now, my right hon. friend (Mr. Meighen) when he was in the city of Quebec delivered an address to the citizens; and after having made many statements to which I have referred, he paid me a compliment,—well, I do not know whether the compliment was to me or to himself. He said that his imperialism and Ernest Lapointe's imperialism were the same.

Mr. MEIGHEN: I never said that.

Mr. LAPOINTE: The newspapers said it, then.

Mr. MEIGHEN: Forgive me for that.

Mr. LAPOINTE: The world changes, and people change with the world. We see the truth of this to-day in the Old Country where people who were branded as disloyal and who were given a very bad reputation not very long ago are now ministers of the Crown in Great Britain. And there is a considerable change in this country. After what was said about myself and those who thought as I did not so long ago, it seems now that there is no difference between my right hon. friend and me. Well the right hon. gentleman should not charge me with elbowing British ambassadors here and there; that is somewhat different. There was a difference also last year. The House will recall that famous telegram which was sent to the British dominions by the former government of Great Britain when a crisis, or what seemed to some people a crisis, threatened in the Near East. This government took the attitude, I think very properly, that we required an explanation and detailed information before sending any answer. We were criticized for that by my right hon. friend. In Toronto he said that the duty of the government should have been to reply, as he himself said, "Ready, aye ready." My right hon. friend nods his head in assent. Perhaps it might interest him to hear what the late Mr. Bonar Law had to say about this matter.

Mr. MEIGHEN: What I said in Toronto I said in Quebec. The hon. member has quoted only one small disconnected part of my statement.

Mr. LAPOINTE: My right hon. friend went to Toronto to deliver his famous "Ready, aye ready" declaration, and that is why I mentioned Toronto. Here is what the late Right Hon. Mr. Bonar Law said only a few weeks, I should say a few days, after that message had been despatched:

To throw suddenly, as a bolt from the blue, this appeal for help when not one of the dominions had the remotest idea that there was any need of it, and when it was well known that their help could not come in

time to be of any assistance in the crisis, was to risk, in my opinion, one of the greatest assets of this Empire. It was to take a risk with our dominions which no wise man would have taken and which I think was not more foolish than it was wrong.

That appeal, characterized by Mr. Bonar Law as being both foolish and wrong, my right hon. friend would have received with the assurance "Ready, aye ready." I do not hesitate to say that my right hon. friend is not a safe leader when there are war clouds still hanging over nations.

May I say, while on this subject, a word or two about the recent Imperial Conference. I desire to congratulate my right hon. leader (Mr. Mackenzie King) and his associates on the work they accomplished there. The Prime Minister acted as a true British statesman, jealous of the rights and the autonomy of his own country, but just as keen an exponent of the rights of the other units of the Empire. I was sorry that my right hon. friend tried to throw some ridicule on the position of my leader at the Imperial Conference. That is not dignified political warfare. The task of my right hon. leader was appreciated differently by those who witnessed his work there, and by an almost, I might say entirely, unanimous British press. I am glad that this last conference vindicated the idea that led to these gatherings, namely, that they are conferences merely and by no means an executive committee. These gatherings are intended to allow various British prime ministers to meet together and confer, exchanging views and communicating opinions, wishing one another well, trying to help one another, but preserving all the time each his own personal individuality. And it should be so; any attempt to transform these conferences into a body with more power would be a step towards destruction.

In view of certain statements which were made by one or two of the delegates to the last conference after the result of the recent British elections, I think it is well that we should express our own views in the matter. They are mistaken who believe that the decision of any such conference is binding, either upon the dominions or upon Great Britain herself The parliament of Canada will never subscribe to this doctrine, and it does not expect the parliament of Great Britain to subscribe to it either. Those decisions are not any more binding when they relate to fiscal matters or imperial preference than when they relate to naval or other policies. It is preposterous to think that the people of Great Britain could be bound to a policy which they might have rejected at the polls by an overwhelming vote. Canadians would resent any contention that an imperial conference might interfere with our mode of raising revenue; and surely we must admit that the people of Great Britain have the same right. May I say also that we are quite able to speak for ourselves in this part of the world, and that I deny the right of any British statesman who comes to this country to go back to Great Britain and presume to represent the feelings of Canada? For instance, I have seen reports of speeches in Great Britain and editorials in British papers describing the sorrow that was manifested everywhere in Canada at the result of the last British elections. I have never seen such sorrow in this country. We are giving Great Britain a preference in our market of our own free will and because it suits us; and, Mr. Speaker, we must not forget that our goods are admitted free into Great Britain while British goods are paying duty in this country. To state that Great Britain does not act fairly with us by refusing to tax the goods of other countries while admitting our own free is sheer nonsense. Certain gentlemen—and they were the leaders of the tariff preference campaign in Great Britain—advocated free trade within the Empire. Now, whatever may be the merits of this policy—and I do not want to give my own opinion on it to-day—I may call to the notice of our manufacturers that they are already objecting, many of them strongly, to the volume of British goods now coming into this country under the preferential tariff. I ask them what would the importations be if we had free trade? All this shows that fiscal autonomy is just as necessary to this country as political autonomy, and that every nation within the Empire must be left free to devise its own fiscal policies according to its needs and the wishes of its people.

My hon. friend from Fort William and Rainy River (Mr. Manion) complained that a subject was mentioned in the Speech from the Throne but there was no declaration of policy in regard to it. I refer to the St. Lawrence waterway scheme. Well, there are strong supporters and advocates of this great project, and there are equally strong objectors. Is it not, then, the part of wisdom to see that all the scientific and engineering investigation necessary is made before we commit ourselves to the execution of the project? Even the report of the International Joint Waterways Commission suggested that a further investigation should be made by an enlarged engineering board. Now, to those who are

very strongly opposed to this project let me say this: First, no scheme will be entered into at any time as far as I am concerned—and I think it is the policy of the government—until it is clearly shown that the present level of the St. Lawrence river at all points will never be lowered as a result of the works to be carried out; second, that all rights which any of the provinces may possess will be properly safeguarded. It has been stated in the course of this debate that there is strong opposition to the scheme in some parts of the province of Quebec. I admit there is. Perhaps there are misapprehensions which may be cleared up as the result of the investigations to be made. But let me say in this connection that the former government made a mistake, indeed a blunder, when it deprived Quebec of its representation on the International Joint Waterways Board and replaced Mr. Justice Mignault by a gentleman who had been rejected at the polls by the electors of Ontario. Quebec was and is supremely interested in this scheme. I think every hon. member will agree with me that it was a blunder to take away from the board the only representative of the province of Quebec and not replace him by another representative from that province, because the report of such a board, upon which Quebec had no representation, although it is so supremely interested, could not carry with the citizens of the province the weight of confidence which would otherwise have been the case.

My right hon. friend referred to a certain election which took place in the county of Kent, and the part which I am supposed to have taken in that election. My right hon. friend spoke of the terrible bribing policy carried on by the government in that county, and he said I went in a repentant mood and told the electors that the Royal Canadian Mounted Police would not go there any more for the enforcement of the fisheries laws. Is that a crime of first magnitude? When I went down to the county I met my genial friend the member for York-Sunbury (Mr. Hanson) in the city of Moncton, and the first thing I did was to buy a copy of that good Conservative newspaper, the Daily Times, which I found contained a report of a speech delivered the preceding day by my hon. friend himself. Here is what I read:

> It was by Mr. Lapointe's department that the Royal Northwest Mounted Police had been sent into the county of Kent. Never before in history had the armed forces of Canada been used for the enforcement of legislation regarding fisheries or any other regulations. They were only used in criminal matters and in cases where the civil authorities were unable to deal with the situation.

[Mr. Lapointe.]

Mr. MEIGHEN: Hear, hear.

Mr. LAPOINTE: My right hon. friend says, "hear, hear," so he made the statement; I am glad to know it. In the same newspaper I read the following editorial comment—I shall quote only part of it:

> Mr. Lapointe treated the fishermen as outlaws; never before in the history of this province were an honest and hard-toiling body of men subjected to such vexatious, aggravating and ill-advised treatment.

When I was accused of being such a tyrant I investigated the matter and I found that it had been the policy of the Department of Marine and Fisheries since 1920 to use the mounted police for the enforcement of fisheries regulations. That policy was originated by the former government, and I found in the records of the department after the election that one of those who asked for that so-called reform was a leading member of the Conservative party—I think he was its chief organizer in Kent during the recent election campaign. My own opinion is that fisheries regulations can be enforced without the use of soldiers or the Royal Canadian Mounted Police, and I was pleased to declare that as long as I was Minister of Marine and Fisheries no more mounted police should go into Kent county. I hope that my hon. friend who is now administering the department (Mr. Cardin) will carry on with the promise I made—not a promise, but a statement, and I abide by it. Was there anything wrong in that? Having been charged by the gentlemen who were responsible for that change in the enforcement of the regulations with having committed such a crime, was there anything wrong in saying to them, "I am confident myself that the police are not needed in the enforcement of fisheries regulations, and that they should not be used for that purpose; if the Department of Marine needs such officers or supervisors they should appoint them from the civil population of Canada?"

Mr. HANSON: May I ask the hon. gentleman how it happens that it took him two and a half years to find that that was the policy of this department,—that he never found that out until the eve of the Kent election?

Mr. LAPOINTE: My hon. friend's arithmetic is as wrong as his statement—with regard to the two and a half years. My hon. friends were in office when that policy was inaugurated.

Now, about those elections in Halifax and Kent, my right hon. friend took the attitude the other day of a triumphant, victorious general. Well I do not see that there

is anything in the result for my right hon. friend to write home about. He was not there; he went to the county of Cape Breton North and Victoria. I am told that prior to his visit there we were not too sure of the election, but it came out all right afterwards. Kent and Halifax were carried without my right hon. friend, and his friends from there should have wired him on the night of the election in the terms of that historic phrase, "Brave Crillon, pends-toi, nous avons vaincu sans toi!"

An hon. MEMBER: Translate it.

Mr. LAPOINTE: Oh, I am afraid I cannot translate it—"Brave Crillon, hang yourself; we have conquered without you!" But that election was characterized by appeals which do no credit to any of the gentlemen who indulged in them, because they were sectional appeals and appeals to national discussion. Now, I have the newspapers with me; that is the safe way when you make statements with regard to what the newspapers have said. The government was represented as having sold the East to the West, more particularly in the Crowsnest pass agreement. It is remarkable the number of times the country is for sale. We are supposed to have sold the East last year and we are told to-day that we are still selling it to the western farmers. My hon. friend from Fort William and Rainy River (Mr. Manion), suggested a reciprocity in that sort of trade when he said that our western friends were selling their birthright for a mess of pottage; so there is sale on both sides.

Mr. MANION: I said Esau sold his.

Mr. LAPOINTE: Yes; so it is an extraordinary fact that that mercantile wickedness is prevailing everywhere. Well, while these hon. gentlemen were saying in Kent and Halifax that the East was being sold to the West, my right hon. friend, as the newspapers of the time will show, was in Saskatoon and Edmonton singing a love duet with Hon. Robert Rogers on a platform of reconciliation, and both were saying that the government had betrayed the interests of the West, had violated their pledges to the western farmers, and were not carrying out any of the promises made to them. Tory tactics, Tory methods—

Mr. MEIGHEN: Mr. Speaker—

Mr. LAPOINTE: I am glad my right hon. friend stands up when I say that.

Some hon. MEMBERS: Oh, oh.

Mr. MEIGHEN: I enjoy the wit of the hon. gentleman as much as his friends do; it is his great asset. What I wanted to say was merely this: I stated as regards betrayal at Edmonton and Saskatoon exactly what I have stated in this House and no more, and I stated in western Canada what I stated in eastern Canada with respect to the Crowsnest pass.

Mr. LAPOINTE: If my right hon. friend is satisfied with what he has just said, he does not in the least contradict my statement. It does not matter whether he said it in the House as well as in the West; I am merely concerned with what he said in the West. As I was saying when my right hon. friend stood up, that is Tory tactics, Tory methods, Tory duplicity, Tory appeals to division in this country.

Mr MEIGHEN: Read it.

Mr. LAPOINTE: Every one of us feels proud of the part of the country in which he lives and which is dear to him. But, Sir, if Canada is to be a great country, Maritime province rights, western rights, central Canada rights, must be subordinate to the national duty of all Canadians to build up a country undivided and indivisible, the home of a big, united people. To the accomplishment of that task we will endeavour to devote all our energies. It is my earnest hope that there will always be in this country a big party which will be the supreme line of defence, protecting Canada against division and disruption, by trying to meet in a reasonable way the views of Canadians in all sections of the country, and by trying to satisfy so far as is possible what they represent to us as their needs. No Canadian, whether he lives in the West or in the East, should concentrate his vision and mould his opinion as if Canada ended at lake Superior. There are advantages and obstacles in this country, but I hope the former outweigh the latter; indeed, that they are predominant. Of course, they are caused by geographical and economic conditions, and what we should try and do is always to consider the interests of the nation as a whole, and not the interests of an individual or of any set of individuals. We should try, not to build up a city or a district, but to build up a great Canadian nation. If to accomplish that we have to resort to some compromise, if we have to follow some middle course, I contend and believe that that course is a national duty. Any man who tries to align agriculture against industry in this country

or industry against agriculture is not doing his duty to this country.

Sir. HENRY DRAYTON: Hear, hear.

Mr. LAPOINTE: I am glad I have struck a responsive chord in the heart of my hon. friend.

Sir HENRY DRAYTON: I wish you would make a start and keep on in the right direction.

Mr. LAPOINTE: I am going to keep on that way to the end of my remarks.

Sir HENRY DRAYTON: Be consistent that long.

Mr. LAPOINTE: We are proud of the progress of industry in this country. It has progressed by leaps and bounds, and I am glad of it. It deserves all encouragement. But we must not forget that agriculture is the basis of our national life. I had the privilege of visiting the western provinces in the course of recent months. If that is a crime, I plead guilty, and I intend to commit it again. I have seen the wonderful crops in Saskatchewan and Alberta, and whatever opinion we may have of the views of the western farmer there is one thing of which we may all be proud, and that is that they produce more food per capita in the western provinces than anywhere else in the world. One cannot but regret that they are not receiving for their work and their investment better returns. Doubtless the conditions prevailing throughout the world are largely responsible for that, and I hope those conditions will remedy themselves in the course of time. I have not much respect for those who answer the farmers or the grain growers when they submit their grievances, that they should change their method of farming. I do not think our manufacturing friends would be satisfied, when they themselves submit the conditions which affect them, if they were answered: Well, devote your time and your energy to some other industry, produce something else.

I do not think my hon. friend from Vancouver Centre (Mr. Stevens) was altogether fair yesterday when he suggested to the farmers of the West that the home market was their salvation, and that they should wait until that market is increased. Whatever may be the merits or the demerits of the proposal I am sure that our friends from the West desire to have their remedy in the course of their lifetime at least, if not in this generation, and they did not seem to be inclined to follow my hon. friend into his kingdom of Utopia. I believe that what is needed is that every one in this country whether he lives in the East or the West, whether he grows wheat or works in an industrial concern, should feel that he is receiving from the government of this country an equal measure of justice; I think that everybody will agree with me in that statement. The sense of grievance in the heart or mind of any Canadian is harmful and cannot but work injury. Recriminations and denunciations are of no avail. Nothing can be built on them.

What is imperatively needed in this country is to knit afresh national brotherhood. A great Italian statesman, Mazzini, used to say that young Italy was the polar star of his thoughts. Let a united Canada be the polar star of all our actions, of all our policies. Let it be our one supreme ambition, and let every Canadian devote his time and his energy to accomplishing that end, and to building up a great and prosperous nation.

Mr. ALEXANDRE J. DOUCET (Kent, N.B.): Mr. Speaker, may I have the temerity to follow such an eloquent speaker as the hon. Minister of Justice (Mr. Lapointe)? I wish at the outset, Mr. Speaker, to congratulate you upon the honourable position which you occupy in this chamber. Representing as you do a county whose population is largely of French-Acadian descent, and knowing that you are familiar with their customs, the hardships they have had to endure in years long past, and the lack of educational facilities they have had to contend with, I trust that if in this debate, I infringe upon the rules or the procedure of this House you will readily understand that it will be through lack of knowledge, and not through wish or intent. I may say, Mr. Speaker, that I had intended to open my remarks in the French language, the language which I cherish, the language which I learnt at my mother's knee, the language of five-sixths of the population of my constituency, but I do not wish to delay this debate and I intend to use the language of the majority, one of the two great languages of this country, and one of the two official languages of this House.

We are told in the Speech from the Throne that:

> National unity, not less than national prosperity, depends upon the surmounting of those barriers which have tended to separate western from eastern Canada, and to discourage permanent settlement upon the land.

Those, Mr. Speaker, are very nice words, but so far as some of the representatives on the other side of the House are concerned,

they are really vain words. If you will read the speeches made during this debate by the hon. member for Rimouski (Mr. d'Anjou) and the hon. member for Vaudreuil-Soulanges (Mr. Ouimet) you will recognize immediately that these hon. gentlemen are not striving for national unity. What they are seeking to do is to perpetuate the disunion which has prevailed for a number of years past, largely owing to political machinations unworthy of men occupying seats in this Chamber.

Mr. Speaker, I belong to the French-Acadian race who established and colonized in 1605 the first village of white people on this northern hemisphere. Our clergy through the Jesuit fathers, were also the first to enunciate pleas in behalf of civilization and christianity in 1611. From the sturdy population of those pioneer days sprang men such as Mr. Amand Landry who when called upon to sacrifice his principles in 1857, spoke as follows in the legislative assembly at Fredericton—and I may explain that he was the father of Sir. Pierre A. Landry, who occupied a seat in this House and was afterwards elevated to the bench of New Brunswick:

> My forefathers preferred the spoliation of their property and exile rather than taking the oath of allegiance which they held in abhorrence. I would be unworthy of them if I should accept this money to betray my political party. I would be dishonoured by such an action. I want to hand down to my children and to my fellow countrymen a name unblemished and revered. I very strongly decline your offer. Give back that money to those who have sent you to me, and tell them that although the Frenchman, as I am called here, may be poor, there is not enough gold in the world to corrupt him.

Sir, I am pleased indeed to follow the principles of the great Liberal-Conservative party laid down by such men as the late Sir. John A. Macdonald and Sir George Etienne Cartier as the principles upon which this great Dominion could be built up and best fulfil its destiny.

Mr. MARTELL: Is it true that my hon. friend ran as a farmer candidate in New Brunswick in 1921?

Mr. HANSON: It is not true.

Mr. DOUCET: Being a new member, Mr. Speaker, I would crave the indulgence of hon. members opposite. I am not averse to cross-examination but I should like to say this—if my hon. friends will only be patient and wait a little while they will lose nothing by it. As to my position and candidature in 1921 I shall make that plain when the proper time comes. I wish to say that, while I belong to the French-Acadian race and profess the same creed as the hon. members for Rimouski and Vaudreuil-Soulanges, I follow proudly, as I have already said, the principles laid down by Macdonald and Cartier. It was the latter, I believe, who said that the last gun fired in the Dominion for the defence of British institutions would be fired by a French-Canadian. Let me say that the first gun to be fired—and God forbid that the day should ever come when such action will be necessary—in defence of the French language and the Catholic faith in this Dominion will be fired by a French Acadian.

We have heard something of by-elections in this country, and the last speaker referred to the by-election in Kent county, New Brunswick. Of course all hon. members know there was an election in that county.

Mr. HANSON: The Minister of Justice knows it.

Mr. DOUCET: Yes, he undoubtedly does. The Prime Minister when he spoke in this debate said there had been thirty-four by-elections since the government had succeeded to office and that the government had only lost two. That is not a great deviation from the truth, and yet when you closely analyse exactly what happened during the last two years you will find that out of the thirty-four by-elections, twenty have reference to gentlemen appointed to offices of emolument who went back to their constituents for re-election. It would be unnatural to suppose, under the circumstances that those men should not secure re-election, especially when we remember that their constituencies in 1920 and 1921 had voted Liberal by majorities running all the way from 2,000 to 7,000. Since that time there have been several by-elections, including one to which the Minister of Justice referred, Cape Breton North and Victoria. The minister said the right hon. leader of the opposition had been in that county. He did visit the constituency, but, whatever the result of the election is attributable to, the Liberal majority of 3,339 in 1921 was cut down to a minority in the recent contest. The hon. gentleman (Mr. Kelly) who now sits for that constituency does not represent a majority of the voters in the riding. There was also a by-election in North Essex when the Liberal majority of 7,195 was cut down to 1,027. Again, a by-election in Halifax, caused by the death of the late lamented Dr. Blackadar resulted in the Liberal majority dropping from 5,141 to 3,872. May I also tell the House that there was a by-election in Moose Jaw, Saskatchewan. The former member, who had been elected in

5 p.m.

1921 by a majority of 929 was unseated. In the by-election the Progressive candidate was returned by a majority of 1,598, an increase of 669 over the result in the general election. At that by-election the Liberal candidate, Mr. Knowles, well-known to hon. members of the House, was defeated.

Mr. ARCHAMBAULT: Where was the Tory candidate?

Mr. DOUCET: In the same place where the Liberal was when my right hon. leader was elected in Grenville. The elevation of Mr. Maclean to the bench necessitated another by-election in Halifax, and the Liberal majority of 4,876 in 1921 was converted into a Conservative majority of 1,934. The Minister of Justice (Mr. Lapointe) has just vacated his seat. I suppose he would not like to hear the result in Kent county. The Liberal majority of 1,523 in 1921 was converted into a Conservative majority of 208.

Reference has been made to the campaign carried on in Kent county. I am not here this afternoon as spokesman for the hon. member for St. John City (Mr. Baxter), or for the hon. member for York-Sunbury (Mr. Hanson). They, as I know and as all other hon. members know, are quite able to answer for themselves. I am here, however, to explain some of the reasons why there was a change in the public opinion of Kent county, and also, inasmuch as the accusations come from the right side of the House, to lay bare some of the scandals that were committed in Kent county in order to bribe the electorate. In doing this, may I say something which also refers to the national unity which we are so anxious to preserve? I quote from reports of a meeting held at Richibucto on the 18th December when—

> Mr. Theriault, of Acadian descent himself, said that he brought them a message from the province of Quebec to vote against Meighen, because, he explained, in the opinion of Quebec and other provinces, Mr. Meighen was the representative of all that was "Bosche" in Canada.

That was one gem. Further down, he said:

> It had been Mr. Meighen who had protested against a clause in the conscription law against seminary students being exempt.

My right hon. leader (Mr. Meighen) can well reply for himself, and he will no doubt avail himself of the opportunity of doing so; but may I say, for my part, that never could I find written or spoken words coming from my right hon. leader in connection with the exemption of seminary students.

Mr. MEIGHEN: There never was one.

[Mr. Doucet.]

Mr. DOUCET: I come to some of the utterances that were made by the Minister of Marine and Fisheries (Mr. Cardin)—and I am glad he is in his seat:

> Dealing with the War-time Elections Act Mr. Cardin drew a word-picture of agents of the government rushing to France to seek the soldiers in the trenches to get their votes. According to him, these agents did their work while bullets were screaming and soldiers died. They were like vultures. . .

You have heard that word before, have you not? It was whispered by the Minister of Railways (Mr. Graham) to an hon. member on my left who was speaking the other night.

> They were like vultures, seeking votes among the little wooden crosses. Perhaps the vote they extracted from the poor soldier was the last act that poor soldier had performed in this life, perhaps, too, the little ballot paper was even stained with blood, but that mattered not to Mr. Meighen and his friends, who hurried back with the blood-stained papers to elect thereby candidates of their choice and keep themselves in power for the benefit and profit of their friends.

Mr. GAUVREAU: That is good stuff from Quebec.

Mr. MICHAUD: Is my hon. friend quoting from a Tory paper?

Mr. DOUCET: I am quoting from the Montreal Gazette, a stenographic report, and if my hon. friends question this report, they will have an opportunity of denying it.

Mr. BOYS: Let them do that now.

Mr. GAUVREAU: Nothing to deny. It is a true picture of what you did.

Mr. DOUCET: Need I quote any more of those nefarious scandals that were committed in that county for the purpose of winning votes in that by-election? In his address the other evening, the leader of the government (Mr. Mackenzie King) said that the Kent county election had been won on local issues, and that we had not used any solid or valid arguments against the administration. I might say that, apart from the racial and religious cries used by some of my hon. friends opposite, a certain number of promises were made for the purpose of catching votes in Kent county. One promise was, and it was somewhat explained this afternoon by the Minister of Justice:

> Hon. Mr. Lapointe was in a better humour and after telling a few stories launched out into an address of about an hour. The Minister of Marine also had a promise up his sleeve and this he lost no time in bringing to light. Never again as long as he was Minister of Marine and Fisheries, he declared solemnly, would there be a single Royal Canadian mounted policeman sent into Kent to enforce fishery regulations. Just why he did not think of this action until the by-election was getting warm, the minister forgot to tell his audience.

During that famous by-election campaign, Santa Claus visited the county. Strange to say, this honourable and much talked of personage, who generally appears on the scene about the 24th of December, appeared in Kent county this year on the 11th or 12th December. He was very lavish in his promises, and every one of the company accompanying this personage had a different pledge or promise to make to the electorate of Kent should they vote for Mr. Bourgeois. I said that the Minister of Marine had promised that no more Royal Canadian mounted policemen would be used in Kent county. I may say that the premier of the province promised hydro development. But it remained for the Secretary of State (Mr. Copp) to make what I would term the most liberal promise of the whole procedure. He was at the time talking about railways and he said:

You cannot build a railway of even seventeen or eighteen miles all at once and until we get the money voted, and we attempted last session to get the approval of parliament to build some branch lines in other parts of the country, but the bill was defeated.

And of course, wherever these gentlemen spoke, they told the people how the bill came to be defeated; they did not hesitate to say that it was the Conservatives in the Senate who had refused to sanction the passing of it. Had they been fair they might have added that in referring to the bill Senator Beique, of Quebec, one of the ablest members on the government side, strongly opposed it in these terms:

I hope parliament is not committed to the board of directors of the National Railways to such an extent that it will vote blindly any amounts that are asked for building railways. They may be given a reasonably free hand, but surely parliament is entitled to know whether the demands made and the expenditures suggested are warranted.

When the bill was voted upon there were ten in favour of it, and amongst those who strongly opposed it were six Liberal senators from the province of Quebec.

Mr. BOYS: They did not tell them that.

Mr. DOUCET: No, it would not have been politic. But the following statement is attributed to the Minister of Justice (Mr. Lapointe) at that time Minister of Marine and Fisheries:

The Minister of Marine expressed himself as very confident regarding the election of the Liberal candidate. The outlook is very bright, he said, and there seems to be little doubt but that the people of Kent county will show their confidence in the King administration.

Poor people!

They will avail themselves of the opportunity of being represented by a man who will have access to the members of the Cabinet—

Note the word.

—as a member of the opposition could not hope to do.

Mr. MANION: Who said that?

Mr. DOUCET: The present Minister of Justice. I ask every fair-minded gentleman in this House whether the fact that a constituency returns to parliament a candidate who happens to be a member of the opposition should be a sufficient justification for a cabinet minister refusing to be interviewed. Now, I want to quote from the Regina Leader of December 17. The Leader I understand is an important newspaper that advocates the same policies as my hon. friends opposite. Dealing with these promises made by hon. gentlemen opposite and by Mr. Veniot this paper says editorially that the government has no right to barter public moneys for party support.

—which is what Hon. Mr. Copp seems to have attempted in the present campaign.

The paper has no hesitation in saying that the government candidate should be defeated at the polls and has no intention of condoning this conduct on the part of the present government as the practice is absolutely indefensible. Then referring to the Minister of Marine (Mr. Cardin) at Buctouche it says that the hon. gentleman appeals for unity between the French Canadians and the Acadians

—to secure the realization of legitimate aspirations. The doctrines of the Liberal party were always the same in all the provinces in 1911, 1917 and 1921. He stated, "Premier King deserved credit for being a candidate in North York in 1917, while Doucet's friends had sent soldiers into his riding to create trouble at his meetings."

I have quoted from a Liberal newspaper; let me read somethihg else from the press. The following is a press despatch:

Never again as long as he was Minister of Marine and Fisheries, he declared solemnly, would there be a single Royal Canadian Mounted policeman sent into Kent to enforce fishery regulations.

Never in all the political history of Kent county was there such an open and unblushing attempt to blind eyes of the electorate to the sins of the government of the day by means of promises. The extension of the Moncton and Buctouche branch of the Canadian National railways to Richibucto, a bait that has been dangled before the eyes of Kent County electors by Grit politicians time after time, only to be thrown in the discard just as soon as the votes were counted, was again trotted out as an undertaking that would be carried to completion provided the government candidate was returned on the 20th.

I have here a copy of a letter sent by a friend of mine in Kent county to a Liberal friend outside the county. In it he says:

The county is plastered with Liberal orators, submerged in Liberal rum, and polluted with Liberal money. They are scared blue and they are resorting to all the tactics known to civilization, heathenism, idolatry and low-down "Injun" cunning in order to

win. You never saw such a desperate lot of desparadoes in your life.

Mr. ROBICHAUD: The letter which my hon. friend is quoting seems to me to be compromising. I think it should be placed on record and the name of the writer disclosed.

Mr. DOUCET: Would the hon. gentleman recognize the writing if he saw it?

Mr. ROBICHAUD: Will the hon. member disclose the name of the writer?

Mr. DOUCET: Now, Mr. Speaker, in view of all these things—

Mr. ARCHAMBAULT: Will the hon. member allow me a question?

An hon. MEMBER: One at a time.

Mr. ARCHAMBAULT: Will the hon. member not give the name of the writer?

Mr. DOUCET: If the hon. gentleman wants a decisive answer, I say, no, inasmuch as I have not had the permission of the writer to divulge his name in this House.

Mr. ARCHAMBAULT: I rise to a point of order. It is a rule of the House that an hon. member may not read a letter without giving the name of the writer.

Mr. MEIGHEN: Mr. Speaker, I never heard such a rule even suggested in parliament before. What the hon. member evidently has in mind is that if a Minister of the Crown reads from a public document he must put the whole document on the table; the rule does not apply to a private member at all.

Mr. GAUVREAU: Then we have the right to say that the letter is not true at all.

Mr. MEIGHEN: The rest of it is worse.

Mr. GAUVREAU: If you are ashamed to give the name the letter must be untrue.

Mr. STEVENS. It is uncomfortable, but—

Mr. LOGAN: An anonymous letter is a bad start.

Mr. DOUCET: Mr. Speaker, when I started to describe the means adopted by the government party to win the by-election in Kent county I did not think I would stir up such a hornet's nest. But I have here something entitled A Vicious Doctrine. It says:

Mr. Black's selection is a notice to the administration that Halifax does not approve of the heavy expenditures in public works the King government is making there, and has planned to make in the future.

I ask all fair-minded men in the House and in the country at large whether any constituency is to be punished and deprived of reasonable and necessary public works simply because of the fact that it could not see eye to eye with the Liberal candidate? But I have some further comment upon the Kent county by-election. I am quoting from the Moncton Transcript, published in the constituency of the Secretary of State (Mr. Copp), and of course the organ of the Liberal party:

But Kent county has exercised its right in choosing the representative it prefers, and it is to be hoped that Mr. Doucet will secure for the constituency all that Mr. Bourgeois could have secured. One cannot see how that is to be expected, for in a sense he is pledged to oppose anything the government may want to do for Kent.

Well, Sir, let me state here and now that if the government is prepared to include in the estimates or in the supplementaries any votes that would be beneficial to the interest of Kent county, be it the acquisition of the Kent Northern railway or the much-talked-of extension of the Monction and Buctouche railway from Buctouche to Richibucto. I, as the humble representative of Kent county will not be in a position to vote against such expenditure.

Mr. DUFF: Hear, hear. Safety first.

Mr. COPP: You approve of the building of that road?

Mr. DEPUTY SPEAKER: Order.

Mr. DOUCET: Mr. Speaker, while to a certain degree I am annoyed, I am not surprised at the attitude taken by hon. gentlemen opposite, because I am free to admit that the Kent county by-election must have been such a fatal blow to their hopes that they can only regard it as the sinister forerunner of what is to happen to the Liberal party when it next appeals to the country.

Before laying before the House the issues upon which we conducted the campaign in Kent county, I have a few precious gems, selected from campaign speeches made by the right hon. leader of the government (Mr. Mackenzie King), the hon. Secretary of State (Mr. Copp) and the hon. Minister of National Defence (Mr. Macdonald) in the election of 1921. First I quote from The Transcript—certainly an organ which was not prejudiced against my friend the Secretary of State—its report of a speech made by him at that time in these words:

He pronounced his policy in regard to the railway situation as to be strongly in favour of retaining the I.C.R. at its old status.

The electors of Kent county were asked by the Secretary of State and others to support the Liberal administration because they had fulfilled their promises. Have they fulfilled their promise in connection with the Intercolonial railway, when it is true that the Hanna board in 1921 had given a public

decision that they would include in the Atlantic region the Intercolonial, the Transcontinental and all branches east of Montreal, including the Grand Trunk line to Portland? They took charge of the administration of affairs, and the Intercolonial railway was cut off at Rivière du Loup, and the Transcontinental at Monk, so the eastern section of the railway system is about one-tenth of the whole mileage.

In The Transcript of October 14, 1921, the Secretary of State is reported as follows:

> Mr. Copp expressed his policy as being to take the I.C.R. out of the hands of the Toronto people who are using it for their own gain, and hand it back to the people of the Maritime provinces for whom it was built; and, furthermore, to bring back the many people who were forced to leave their homes here and go to Toronto.

You would imagine, Mr. Speaker, from the declarations on the other side condemning the stirring up of sectional prejudice that our hon. friend would never have been guilty of making such an appeal. He did, however, in 1921, in spite of the fact that Mr. D. B. Hanna at that time said:

> There had not been one man taken from Moncton, but that because of his competency he had been promoted to a larger sphere; and the same thing was happening in Winnipeg. In the management of a large system there had to be a consolidation of accounts, and everyone knows there has to be a central place where the accounts can be gathered. Not one man on the board of directors wished or desired to disturb anyone, but the exigencies of the situation compelled such an action.

Now, at that time Mr. Hanna explained to the country, and to those who had been more or less opposed to him because of the fact that men had been removed from Moncton to Toronto, that in each and every case promotion had taken place. In the spring of 1923 a large number of men were removed from the constituency represented by the Secretary of State and were transferred to the city of Montreal. I have no fault to find with any administration of the railways that would transfer men for the purpose of bettering the efficiency of the system; but I do complain that men who in 1923 were transferred from the offices in Moncton to Montreal, and were receiving $135 per month, were, within a few weeks later, forced to see their salaries diminished to $98 per month. I have yet to hear any public pronouncement from the Secretary of State in disapproval of such reductions. May I be permitted to refer to some of the issues that were raised in Kent? I defy any member on the opposite side to quote anything to show that I personally—and Sir, I can only speak for myself, because I carried on the campaign alone—

Mr. MICHAUD: Where was the hon. member for York-Sunbury (Mr. Hanson)?

Mr. DOUCET: When the hon. member for York-Sunbury spoke, I did not accompany him, therefore I did not hear what he said. If he said anything that my hon. friends opposite object to, he will have a chance to express his opinion on that in the House. I wish hon. members to take note of the reasons why public sentiment in the county of Kent expressed itself on the 20th of December last in opposition to the present administration. In doing this I believe I am rendering a service to my county, and at the same time, if they are wise enough to give heed to it, I may be rendering a service also to the present government.

We had in mind the subject of immigration, in the first place, and regret was expressed at the extent of the exodus of our people to the country to the south of us. We spoke of increased taxation, of increased remuneration to men in high places, and of the policy announced at that time, and since put into effect, of reducing the expenditure on the civil service by turning out in the cold men in the lower positions while retaining at high salaries those in the upper places. We spoke also of the royal commissions, seven of which, I believe, were operating at that time. I need not dwell very long upon that; hon. members must have seen some of their reports. I venture to say, however, that the majority of these reports will not be read by anyone but by the man who is paid to read them. As a well-known eastern paper said, the whole sum and substance of these reports would be worth much less than thirty cents.

We dealt also with the question of railway rates; there is some dissatisfaction in connection with the present state of affairs in matters of transportation. We also made reference to the lack of markets; to the sending of Canadian goods through Canadian ports; and, last but not least, to the development of interprovincial trade. I should like, in the limited time available, to discuss these various questions, but I have not an opportunity of doing so now, I may have occasion later in the session, to place my position on these matters fairly before the House.

I have told you, Mr. Speaker, of the great number of men bearing gifts who were in Kent county during the by-election campaign, but notwithstanding all these offers of gifts, the county could not be bought. I have here another gem which I think I should read to the

House, dealing with the necessity to beware of the man bringing gifts. It reads:

The good and kindly Veniot
With his promises so calming
To save his Liberal party
From a premature embalming.

Oh, Mr. Copp, Oh, Mr. Copp,
The railway will extend,
Judicially he ever is
Copp's and the people's friend.

It's sad and sorry work,
To keep the ship afloat.
But Copp will get no judgeship
If Doucette "Copps" the vote.

Arthur comes in hot haste
At the voice of King, his master,
To prevent a repetition
Of that Halifax Disaster.

If these big guns be air guns
To avert impending wreck,
They bring a long range cannon
To belch from Old Quebec.

Yes, Mr. Speaker, the electors of Kent county were afraid of men bearing gifts. As the Trojans said of old, "Timeo Danaos et dona ferentes,"—I fear the Liberals even bringing gifts.

May I make some reference to the rewards given to those who took part in the Kent county campaign? In this instance, as you must know, failure rather than merit was being rewarded. First, we have the hon. Minister of Marine (Mr. Lapointe), promoted to the position of Minister of Justice. Then we have the hon. member for Richelieu (Mr. Cardin) promoted to the position of Minister of Marine and Fisheries. I want to say frankly, that as there had to be a Minister of Marine and Fisheries, and as, so far, the present party has to remain in power, I am glad to see my hon. friend in a ministerial seat. Even though he was not successful, he certainly deserves a reward for the great amount of energy he displayed in that campaign. Then we have a third man who took part in the campaign, Mr. Arthur T. Leblanc, of Campbellton. He was appointed a judge of the Supreme Court of New Brunswick.

Mr. MICHAUD: Does my hon. friend mean that Mr. Leblanc is not qualified for the position of Judge of the Supreme Court, or that he was disqualified because he went into Kent county?

Mr. DOUCET: I did not say anything of the kind, but I will say that he was as well qualified as any other prospective candidate for the judgeship.

Mr. ROBICHAUD: The hon. gentleman to your immediate right did not think so.

Mr. DOUCET: The hon. member for Gloucester (Mr. Robichaud) can speak for himself, and it is not necessary—that I should take up the time of the House in answering for the hon. member for York-Sunbury (Mr. Hanson). There are others who took part in the Kent county by-election campaign who have not yet been rewarded. In this connection I wish to remind the House that the hon. member for Restigouche and Madawaska (Mr. Michaud) has not been rewarded. Why? Was it because he was the only one of the whole delegation who talked politics and did not raise the racial issue? I submit to my genial friend that his reward is due, and it is the vacant senatorship for the province of New Brunswick. There are two other gentlemen, one from Kincardine, Ontario, and the other from Fredericton, N.B. who also need rewards, and on their behalf I would suggest that the leader of the government ask his cabinet to create a new royal commission entitled "How did it happen in Kent?"

In order to reward all those who took part, Mr. Speaker, and there were twenty-two, I believe, you would have to create a new royal commission, and that would be for the purpose of creating national unity between the two great races of this Dominion, and to that commission I would suggest that Mr. Theriault, local member for the county of L'Islet, the member for Rimouski and the member for Vaudreuil-Soulanges be appointed. They would possibly be able to determine what is requisite, and the proper means to adopt, in order to bring about national unity in this country. Their utterances are testimony to that.

An hon. member of this House asked me a moment ago if I had forgotten that I was a Farmer's candidate in 1921. In 1921 the humble member for Kent was not a Farmer's candidate; he was not a Progressive candidate. In order to show where I stood on that occasion I am going to weary the House by placing on Hansard for the edification of those who seem to glory in the fact that possibly the member for Kent was a Progressive candidate, in 1921, my platform. It is as follows:

(1) We believe in friendly relations and the teaching of mutual respect between the two great races which compose this Dominion.

(2) In the matter of tariff, we favor protection for our industries, in order to give our farmers, fishermen and lumbermen a home market.

(3) We believe that the farming and labour elements of this country are not sufficiently represented in the different governments of our Dominion, and that better consideration should be given to the agricultural and industrial problems of the country.

(4) We regret that our federal ministers of late years have not been sufficiently in touch with the different sections of the country, particularly the Maritime provinces, and we assert that this is the only way to obtain responsible government.

(5) We believe that the Department of Trade and Commerce should get into more intimate contact with the public in the way of pointing out and assisting in finding markets for the people.

(6) We maintain that our representatives in Parliament should be free to support, without detriment to Canada, the party which would consider and solve the various Maritime provinces' problems, such as transportation, markets, unemployment, and the greater developments of our national resources and possibilities and in this respect we advocate:

(a) The establishment of abattoirs and cold storage systems at central points in the Maritime provinces.

(b) The establishment of an experimental farm in one of the north shore counties, with equal facilities for the French and English.

(c) That Canadian trade be directed through Canadian ports and channels.

(d) The appointment of a commissioner to make a complete study of West Indian and South American markets, and bring about the interchange of our northern products with those of the tropics, as this is the natural market for the surplus of our products of the farm, of the fisheries and of our forests.

(e) The freeing of the Intercolonial Railway from the commission control and its restoration to Government administration in keeping with the pact of confederation.

(f) The building of connecting links as feeders to railway main lines, thereby developing the agricultural, fisheries and the lumber industries of Canada, and particularly of the Maritime provinces.

Let me say, Mr. Speaker, that that is the platform upon which I stood in the last election, and I have no hesitation in stating that I believe my right hon. leader would subscribe to the essential part of that platform, which would be for the great advantage of this Dominion.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. DOUCET: In connection with the charges made against us on the ground of sectional appeals during that campaign, of which I was speaking, let me quote a statement made by the Prime Minister of Canada at a public meeting held at Moncton in 1921, when he asked for the support of the electorate of the Maritime provinces on the following ground:

Mr. Mackenzie King said he deplored the fact that through not following the Laurier policy the result was that Canadian made goods were being exported to foreign ports and imports being brought in through foreign ports. The remedy to this condition of affairs was the return to Liberalism so that the Laurier policy might be furthered.

In view, Sir, of the claim that the Maritime provinces were not getting their just rights let me make a point clear to the House. The rights of the Maritime provinces have been talked about, and statements with respect of them have been published in the press, nevertheless, I maintain there is no such thing as Maritime province rights, the rights that have been ignored and the conditions that exist in the Maritime provinces are not merely a matter of concern for the Maritime provinces, they are really of Dominion wide importance. Let me quote here, Sir, a statement copied from the Telegraph, St. John, which is not by any means favourable to the opposition party in this House. This paper states that during the months of November and December, 1923, and of January, 1924, there was a wheat export through Portland, Maine, of 6,831,294 bushels compared with an export in the same three months of 454,168 bushels through the port of St. John, whereas not one solitary grain went through the port of Halifax. At the same time the Canadian Pacific Railway had shipped through the Canadian port of St. John 6,496,460 bushels of wheat. Hence it is that the clamour for provincial rights, or the sectional appeals of which we hear so much, come from the chief organs of the party of my hon. friends opposite.

I have here, Sir, a copy of the Moncton Transcript of 2nd April, 1923, when there was no probability of a by-election in the Maritime provinces. This is what the editor of the Transcript, the official organ of the Liberal party in that section of New Brunswick and a great supporter of the Secretary of State, said, quoting the figures of the President of the Canadian National Railways as to the increased revenue:

The public will not fail to note that according to Mr. Graham, the return of the Crowsnest grain rates cost the Canadian National $6,500,000 in revenue last year. That is to say, if these extra earnings had been available the operating surplus on the whole of the system would have been $10,600,000 instead of $4,100,000. In short the West was relieved to the extent of $6,500,000 which the rest of the country made up in the form of increased taxes.

Now, we say, Sir, that if that quotation is correct, and I believe it is correct, we were perfectly justified in saying in the Kent by-election that we could not, and we would not, permit the leader of this government to sacrifice the rights of any party in order to satisfy the Progressive party in this House.

Mr. FORKE: Very affectionate.

Mr. DOUCET: If affectionate we must be, let us be affectionate to all parts of the country. I find that the rate on Nova Scotia coal from Montreal to Hamilton, a distance of 372 miles, is $3 per ton, while the rate on United States coal from Detroit to Montreal, 563 miles, is only $2.90 per ton, or 10 cents less for 190 miles greater distance. I ask my

hon. friends who represent the constituencies of Cumberland and Pictou, and both ridings in Cape Breton, do they not believe with me that the coal industry of the Maritime provinces is not getting a fair deal at the hands of the railway board, but that United States bituminous coal receives certain concessions that we in the Maritime provinces do not enjoy?

It will be noted also that the rate of fish—and these statements were made before the Railway Commission which met at Halifax a short time ago; and mark you, the express companies to-day are before the Railway Commission and they are part and parcel of the Canadian National Railways—from Prince Rupert to Winnipeg, a distance of 1,758 miles, is $3.59 per 100 pounds, while the rate from Halifax to Winnipeg, a distance of 1,923 miles is $10.60 for the same weight. I wish to refer this item to the hon. member for Lunenburg (Mr. Duff) and to ask him to agree with me that the fishing industry of the Maritime provinces is not getting a fair deal.

Mr. DUFF: How long have these rates on fish been in existence? Were they not in existence quite a number of years before this government came into power?

Mr. DOUCET: I am not in a position to tell my hon. friend how long these rates have been in existence. But inasmuch as he himself admits that they are in existence to-day, I say that, for the proper development of our fishing industry and of all other industries of the Maritime provinces, we come here not as whiners or beggars, but demanding our just rights. I am reminded that just before six o'clock I had laid bare before this House the campaign in which I ran as an independent candidate at the last election in 1921. During the recess my friends asked me what reasons I had for abandoning the independent idea this year in the by-election. After the Liberal government came into power and after having reviewed their record of administration in this country, it did not take me long as it would not have taken any man with an ordinary amount of intelligence long, to come to the conclusion that the campaign of 1921 was a campaign of camouflage and a wholesale carnival of mendacity.

Mr. WARD: I would like to ask if the Conservative government, prior to 1921 was satisfactory to the hon. member in his campaign.

Mr. DOUCET: I had really believed, and I had been told that, a new member speaking in this House would not be subjected to interruptions. Of course, if interruptions have to come, they will delay me a little longer than I expected. I really intended to close my remarks before six o'clock; but I was unable to do so on account of numerous interruptions which came from the official benches. I admit they were somewhat uneasy over those recent events in the Maritime provinces which were laid bare to-day in this House and which it was right that the whole country should know. We in the Maritime provinces are not beggars; but we contend that the government is committed, because in 1903 the act creating the National Transcontinental railway explicitly stated that all unrouted traffic should be routed through Canadian ports and entirely on Canadian territory, and that the through rate on export traffic from the point of origin to the point of destination shall at no time be greater via Canadian ports than via United States ports. I trust my hon. friend across the floor who interrupted me a minute ago will admit that that was passed in 1903, and by the self-same party which to-day has the reins of power. In the act of 1911, respecting the construction of the Canadian Northern railway, we find identically the same thing, and in 1911, the same party was in power. In 1914, in the act respecting the Canadian Northern railway system paragraph (a) of section 6 explicitly says the same thing. Therefore, the government of this country, having acquired those great railway systems, are to my mind and, I believe, in the mind of every other hon. member in this House, committed to carrying out to the letter the provisions of those statutes. We say, further, that for the development of an interprovincial trade between the Maritime provinces, central Canada and western Canada, preference should be given to the exportation of Canadian goods through Canadian ports, Atlantic ports as well as Pacific ports, and that concessions should be given to the transportation of our coal into central Canada for the purpose of developing an interprovincial trade, which would increase production, diminish the cost of production inasmuch as it would diminish overhead charges, keep our surplus population at home, prevent the terrible exodus of our population to the country to the south of us and stimulate our local industries. I have not time this evening to develop that question, but I hope to be able to do so in this House before very long. All this would be conducive to the greater good of this Dominion.

I wish to ask the pardon of the House for having spoken so long. I know it is not

customary for a new member to do so, and I have possibly outstayed my welcome. This afternoon, the Minister of Justice (Mr. Lapointe), while addressing the House, seemed to find it strange that my right hon. leader (Mr. Meighen) should go into the province of Quebec, visit some of the clergy, some of the schools and some of the convents. I see nothing whatsoever reprehensible in that. I am not going to speak for him, all hon. members know that he can speak for himself at all times; but he has been, I believe, falsely charged, and in the same boat with him, during the events that caused so much comment upon the attitude of my hon. friend at that time, were men who had left the great old chieftain on this side of the House, crossed to the other side of the government benches and supported every measure that was placed before the House. Shortly after the great D. D. McKenzie assumed the leadership of the Liberal party in this House, he said that the latch-string was in the door, the light was in the window to welcome them across. What are the facts? I need not mention the names here, but quite a number went back. They were rewarded; some are still on the government benches, and there was just as much rejoicing over one sinner who had repented as over ninety-nine who had never sinned. Taking the whole matter into consideration, as it must be considered and looking for the greater prosperity of this Dominion of ours, vast in area, rich in natural resources, composed of the great races who have pioneered this country, I ask you, are we not above these petty things of politics? Why should we make mountains out of molehills? Are we not big enough and broad enough to cast aside these petty canvasses that are made for men to be elected upon? My sincere appeal to my compatriots who sit on the other side of the House is that in future they discard these passionate appeals on the grounds of race and religion. I can safely say that there have been no such appeals on the part of members of this party. The old Liberal-Conservative party of Macdonald and Cartier was great enough to admit within its ranks the representatives of all creeds and races, and I believe that the Liberal-Conservative party of to-day is still great enough to do the same thing. I ask therefore, Mr. Speaker, that hon. gentlemen try to be superior to politics of this character and that, when they appeal to the country in the future, they do so purely on the merits of their policies and not from the point of view of racial or religious prejudice.

Mr. ANDREW McMASTER (Brome): Mr. Speaker, my first words must be those of congratulation to the hon. gentleman (Mr. Doucet) who has just taken his seat, our new member from the county of Kent. He has shown a mastery of a language not his own and an entire absence of nervousness which I am sure must have delighted not only his applauding friends but all those who welcome him as a member of this House. I cannot attempt to make many observations concerning the subject matter on which he has favoured the House to-night. One would have to be a native of the province of New Brunswick, nay, I should judge, of the northern part of that province to be able to deal adequately with the situation as portrayed by him. But I should say that his speech was placed on a level which appealed strongly to his companions in arms in this House, and their delight at his eloquence, their transports of joy at the recounting of the victory which has been won, reminds us of those words of Shakespeare, if I may give a certain turn to them: "Now is the winter of our discontent made glorious summer by this victory of Kent." But listening to the attack he made because appeals to special interests were alleged to have been made in this campaign—and as a lawyer I should judge that it would not be well to take at one hundred per cent the allegations that have been made in this matter—for I am afraid that the witness was not altogether disinterested—I had in my ear the echoes of a by-election in which I took part, I think in the year 1919, in the old city of St. John in the same province. I remember how, from that corner of the House, the same sort of appeals were made at that time. Were the people of St. John told to think first of all of the Dominion? No. Were they told to think first of all of their province? No. Were they told to think first of all of their city? No. First of all was their port, the port of St. John; secondly, the city of St. John; thirdly, the province of New Brunswick; and after that if they had any public interest left, they might think of the Dominion of Canada. Under the circumstances I would commend those people who now display such ferocious virtue to see that they mend their own manners before they criticize the manners of others.

I purpose to-night addressing myself to a consideration of some of the protectionist arguments advanced, I am sorry to say, from both sides of the House; but before doing so I have a more pleasing task to perform, which for the moment I had forgotten. Let me say how the members of this House who love

liberty, who love humanity, who love a forward looking position, have all enjoyed the delightful treat given to the House by the Minister of Justice (Mr. Lapointe) this afternoon. It has been like a spring of fresh water in a dry and thirsty land where no water is. Would that we heard his voice more often in this House. And though I come of Lowland Scottish and not of Highland Scottish blood, may I claim the right of the Highlander to second sight, and say that I believe from henceforth we shall hear his voice more often in this Chamber.

Now let me take up the figures placed before the House by the leader of the official opposition (Mr. Meighen),—I might say, the fears and figures of the right hon. gentleman. The first fear which he imparted to us a few days ago was that created in his heart by the increased exports of wood and paper from Canada, from $213,000,000 to $267,000,000 from the year 1922 to the year 1923. This increase of $54,000,000, which some might regard as an evidence of prosperity among the Canadian people, an evidence of our growth in international trade, is viewed with alarm by the leader of the official opposition. He says that we are in the position of a man who is selling off or disposing of his capital. These forests which are being cut, he says, cannot be renewed for generations. Now, the trouble with a fine speaker—and the leader of the opposition is not free from this frailty—is the fault of exaggerating. A generation is thirty years, and it does not take several generations for a tree to grow in a forest if proper forestry methods are followed. Our lumber resources are a crop which can be harvested every twenty or thirty years, and the export of our forest resources is not the enemy of our forests; the enemies of the forests are fire and insects. The other day the Premier of Quebec made a statement in reference to this matter,—he should know something about the wood business because the province of Quebec is one of the greatest proprietors of wood in the world,—and he said that fire destroyed eighteen times as much wood as the axe did, and that insect pests were responsible for more of the destruction of our forests than the acts of man.

Then the next fear was, not that we were selling, but that we were buying too much. We were buying too much of agricultural products from the United States. We sold to that country $49,000,000; we bought, $79,000,000. I always like to look more closely into figures than merely to take them at first glance. How is this $79,000,000 made up? Fruits are the first item. I have prepared, and I am going to ask permission to place it on Hansard and so save the time of the House, a statement of what composed these imported fruits which, in 1923, amounted to just about $24,000,000:

Imports of fruits from United States

	Year ending Dec. 31, 1923
Fresh—	
Apples	$ 858,708
Apricots, quinces & nectarines	105,498
Bananas	4,725,426
Wild berries	12,304
Blackberries, gooseberries and raspberries	22,888
Cherries	105,978
Cranberries	202,189
Currants	241
Grapefruit	750,358
Grapes	747,279
Guavos, mangoes, plantains, etc.	8,754
Lemons	807,537
Limes	528
Melons	378,882
Oranges	5,731,292
Peaches	510,685
Pears	770,963
Pineapples	518,204
Plums	374,451
Strawberries	750,294
Other fresh fruits	33,113
Total Fresh Fruits	$17,415,572
Dried—	
Apples, dried	$ 47,235
Apricots, dried	148,236
Currants	102,534
Dates	536,024
Figs	218,685
Peaches	153,569
Prunes and Plums	991,466
Raisins	2,982,127
Other dried fruits	96,157
Total Dried Fruits	$5,276,033
Preserved—	
Citron, etc., rinds	$ 1,038
Peaches in cans	171,177
Pineapples in cans	392,577
Fruits n.o.p. in cans	485,867
Fruits preserved in brandy	63
Jellies, jams	20,622
Olives—in brine by m'f'rs	38,234
Olives in brine, not bottled	27,216
Total Preserved Fruits	$1,136,794
Fresh	$17,415,572
Dried	5,276,033
Preserved	1,136,794
Total Fruits	$23,924,240

Fruits which cannot be grown in our climate

Fresh—	
Apricots, quinces and Nectarines	$ 105,498
Bananas	4,725,426
Cranberries	202,189
Grapefruit	750,358
Guavos, mangoes, plantains, etc.	8,754
Lemons	807,537
Limes	528
Oranges	5,731,292
Pineapples	518,204
	$12,849,786

	Year ending Dec. 31, 1923
Dried—	
Apricots, dried	$ 148,236
Currants	102,534
Dates	536,024
Figs	218,685
Prunes and Plums	991,466
Raisins	2,982,127
	$4,979,072
Preserved—	
Citron, etc., rinds	$ 1,038
Pineapples in cans	392,577
Olives in brine by mfrs	38,234
Olives in brine not bottled	27,216
	$459,065
Fresh	$12,849,786
Dried	4,979,072
Preserved	459,065
Total Fruits from Tropics	$18,287,923

Proportion of tropial fruit imported, 76.44 per cent.

Three-quarters of these fruits were tropical. Now, unwise as, in my opinion, is the protectionist mind, I do not think our friends propose to assert in this House that bananas, oranges, lemons and pineapples should be grown in Canada under glass! Of course, a protectionist argument can be made for their growth under glass—because of the demand it would create for glass; because of the demand it would create for coal; because of the demand it would create for labour: because of these demands a very good protectionist argument can be made for growing bananas, oranges, lemons and pineapples under glass in this country. But I give credit to my friends that they do not propose such an extreme protectionist project, and therefore I simply point out that of this $24,000,000 worth of fruit which was imported, $18,287,922 represented the value of tropical fruits which could not be grown in Canada.

The next item is grain, $10,860,000. This represents soft wheat to be mixed with our harder wheat by our millers; also corn. Corn used to be taxed, but when the Liberals came into power in 1896 they put Indian corn on the free list for the benefit of our cattle-raisers. Then we have gums and resins to the value $2,000,000. These compose the basic materials for our shellac makers and for other uses in the arts. Next we have vegetable oils, $6,750,000, these being the basis of many of the soaps that are made in Canada. Crude rubber and tires account for $5,500,000; seeds, for $2,000,000; raw sugar, for $4,750,000; fresh vegetables, for $3,500,000. Now, with the exception of fresh vegetables there is hardly a thing there which any wise man would say should be kept out of Canada, because practically every one of them is the raw material of some Canadian industry.

The next fear is that we are selling too much again—for there is an impartiality about the fears of my right hon. and learned friend; first he fears we are selling too much, then he fears we are buying too much, and then he fears again that we are selling too much. Now he fears we are selling too many minerals in their raw state. He says:

> But let us remember our duty is to see that these resources vouchsafed to us are to the utmost developed within the land that is our own, and to a minimum sent out of the country that other nations and other peoples may get the advantage of them.

This is the gospel of national selfishness—the narrow nationalist and protectionist view. It is the view of trade as being a contest, the view of trade which led the nations of Europe, prior to the war, to mark out in Africa and other less developed parts of the world "spheres of influence" so that they might control the resources and keep the markets for themselves. It was that spirit as much as any other that led to the overwhelming calamity that broke on the world on the fourth of August, 1914. When we see that spirit demonstrated by the leader of a party, are we surprised that another prominent member of that party tells us that the life and death of the Founder of our religion is not an example to be followed but a warning to be avoided; and that another of his colleagues, not to be outdone, brings forward that quintessence of paganism which puts the rights and the advantages of one's country above morality; "May my country be always right, but my country right or wrong?" The national god set above morality! That would be the danger of allowing men holding such ideas to have control of the destinies of Canada, and care must be taken that our people understand these dangers and govern themselves accordingly.

Let me point out that the danger of this idea that a country with great natural resources has a right to play the dog in the manger, has a right to keep other nations from enjoying those resources, was noticed at the time the Peace treaty was made at Versailles, and it was endeavoured to be avoided in the Covenant of the League of Nations, for in that Covenant we find that the mandated territories, especially those in Africa, were placed under the more civilized powers, and it was provided in article 22 that in mandated territory the mandatory must allow equal opportunities for the trade and commerce of the members of the League.

But, there is another argument, and I think it is a just and reasonable one. What would

happen to us if the United States adopted that policy: We are to hold on to all our natural resources and only export in a finished state what we want to sell? What would happen to us if the United States adopted that policy in regard to cotton? By the constitution of that country export duties are prohibited, but we have seen recently that the Americans can amend their constitution. Suppose they amended it in that fashion, suppose they put on a heavy export duty or a prohibition on the export of raw cotton, what would happen to our cotton mills? Last year we imported cotton to the value of $47,000,000 in round figures, of which $30,000,000, or two-thirds, represented raw cotton. Well, where would the Dominion Textile and the Canadian Cottons be if they were unable to get their raw cotton free into this country? It is a serious thing to think of, but it is a poor rule that does not work both ways, and it is egregious folly to propose to follow a course of conduct which, if followed by one's neighbour, may hurt you very much indeed. Coal is in the same situation. In 1923 we imported $43,750,000 worth of anthracite coal and $48,500,000 worth of bituminous coal. This coal was imported because it served our interest best to buy it in the United States. The price of coal is largely determined by the freight rate. Of course, we have immense quantities of coal both in Alberta and in Nova Scotia, but the question is, how expedient it is to haul coal those very long distances; and, of course, it would be a bad thing for us, I take it, if export duties were placed upon coal by the United States. As far as anthracite coal is concerned, a few years ago we had in Canada a shortage of coal. At that time there was a shortage of coal also in the United States, but I remember very distinctly learning with satisfaction that the American control of that time saw to it that Canada had her fair share of that indispensable article. Then, the next fear is the fear aroused by the importation of too many farm implements. That raises an interesting subject for discussion, and one into which I would call as a supporter and co-adjutor and joint advocate with myself the leader of the official opposition, because one of the best speeches ever made in this House in favour of the reduction of duty on agricultural implements was made by the then member for Portage la Prairie on the 18th of January, 1911. On that occasion he moved in this House:

> That in the opinion of this House, a substantial reduction in the import duties on agricultural implements is now due the agriculturists of Canada, and is in just accord with the true ends of a protective tariff.

[Mr. McMaster.]

Mr. MEIGHEN: Hear, hear.

Mr. McMASTER: I hear the hon. member say, "Hear, hear," and I am glad that he advocates to-night those somewhat sound views—not altogether sound, but sounder than the views he usually promulgates on trade matters in this chamber.

I would like to discuss for a few moments, Mr. Speaker, the main points of this very interesting speech. He laid down this principle, as being the true principle of protection as taught by Sir John A. Macdonald himself: that protection was required merely for infant industries, and that as soon as industries got upon their feet the tariff should be gradually reduced and taken off. This is about the most reasonable of all the protectionist arguments, and if it worked that way in practice there might be something to be said for it. But the protests which we have throughout the country to-day is one of the best evidences of how difficult it is, after the duty is once put on, to have it reduced or taken off.

Well, what were the arguments advanced by the right hon. gentleman at that time? First of all he said this—I am not going over the whole speech, but I know he will correct me if I in any way misrepresent his remarks. First, then, his argument was that the cost of production in the two countries, the United States and Canada, was substantially the same. Has that changed in recent days? I do not think so. If anything, wages are higher in the United States than they are in Canada and if one gives to the Canadian implement manufacturers their raw materials at free trade prices, allows free entry of those materials into Canada, it would seem to me that the costs of production, by reason of the somewhat higher labour costs in the United States than in Canada, should be practically on a parity.

His second argument was that the industry was becoming more and more centralized into a few hands. Is that true to-day? In 1911, according to the speech made by my right hon. friend on that occasion, there were seventy implement manufacturers; to-day there are seventy-three—our population would, I think, have increased sufficiently to make up for the difference. At any rate, 80 per cent of the manufacture of agricultural implements is to-day in the hands of eleven concerns, so certainly a centralization exists yet.

The next argument was the exports bear a large proportion to the imports. Is that true to-day? Not quite so true as it was at the time this speech was delivered, but

still substantially true. I have the figures for 1922; about $18,000,000 worth of implements were manufactured in Canada, and of these over $5,000,000 were exported, or between 28 and 29 per cent of the total production. It was further argued that the prices for agricultural implements were lower in the United States than in Canada. Those who live in the farming districts of this country will know whether they pay more for ploughs, harrows and agricultural implements in general north or south of the boundary. I think now, as then, the price of these articles is lower in the United States than it is in Canada. Indeed, that must be the case; if it were not so, why this wail from the implement manufacturers?

Then it was asserted that the implement manufacturers were able to sell abroad and to enter foreign countries even against hostile tariffs. Is that true to-day? I have had prepared by the Bureau of Statistics a table or schedule which I would ask leave to place on Hansard.

Exports of Agricultural Implements and Parts of
(Calendar Year 1922)

Agricultural Implements and parts of	$5,041,044
To United States	1,355,498
Australia	1,176,297
France	913,796
Argentine Republic	733,036
United Kingdom	253,511
New Zealand	114,202
Belgium	112,428
Portuguese Africa	76,547
British South Africa	73,692
Mexico	33,064
Russia	30,258
French Africa	29,980
Spain	20,342
Netherlands	18,724
Uruguay	16,821
Switzerland	12,551
Sweden	12,098
Denmark	9,273
Newfoundland	7,248
Norway	6,312
Germany	6,113
Morocco	5,530
Finland	4,134
Poland and Danzig	3,821

This shows that of the $5,000,000 odd of agricultural implements which were exported in the calendar year 1922, $1,355,498 worth went to the United States, over $1,000,000 to Australia, while France, the Argentine Republic, the United Kingdom, New Zealand, Belguim, Portuguese Africa, British South Africa, and so on, received our agricultural implements. Indeed, the member for Brantford (Mr. Raymond), in the interesting and eloquent address with which he favoured the House last night, waxed almost lyrical in his description of how in the valleys of sunny France and on the rolling veldts of South Africa the sod was turned by the ploughs of Brantford and the golden grain was reaped by the reapers made in that interesting city of western Ontario.

Now, I have not heard a single word from the leader of the opposition, and therefore I presume I have correctly synopsized his interesting remarks on the occasion in question. It would seem to me that every one of the conditions which were his arguments in favour of the reduction of duties prevail to-day. But we have, though not as distinguished, still perhaps as valuable witnesses as the very important witness whose words I have just quoted. What do the implement manufacturers themselves say as to their—

Sir HENRY DRAYTON: Will the hon. gentleman permit a question? Before he leaves that subject, will he be kind enough to tell the House what the duties were at the time the right hon. gentleman made that speech, and what they are to-day?

Mr. McMASTER: They were considerably higher then; of that there is no doubt. But the argument of the Sir John A Macdonald protectionist is that after an industry strikes a certain point, after it gets hold of the home market—not complete command of it, but a reasonable hold of it—then duties should go down and down until they come off altogether.

Mr. MEIGHEN: Will the hon. gentleman say that the Canadian manufacturers have to-day anything like the share of the home market that they had then?

Mr. McMASTER: I do not know whether they have or not, but I do know, that now, as then, they are able to carry their goods to twenty-four countries in the civilized world and sell them when they get there in competition with the outside world.

Some hon. MEMBERS: Hear, hear.

Mr. MEIGHEN: Hon. gentlemen always prefer to cheer before they get the full facts; it is a wise course. Will the hon. gentleman not admit that those foreign sales have been in ever decreasing proportion since the reduction of duty?

Mr. McMASTER: No they have not.

Mr. MEIGHEN: Oh yes.

Mr. McMASTER: I will allow the right hon. gentleman to interrupt me just in a moment. The duties were reduced some time after my eloquent and learned friend made his speech. I do not know whether they were reduced under his administration or not. Perhaps they were.

Sir HENRY DRAYTON: Yes.

Mr. McMASTER: The Finance Minister of that day seems to claim credit for it. It is always amusing how some of the protectionists are always trying to grasp some virtue for having taken down tariffs. I do not remember just when the duties were reduced, but they were reduced, I think, before 1920.

Mr. MEIGHEN: The first reduction was made at the first revision, in 1912 and a very substantial one. We carry out our pledges.

Mr. McMASTER: I am very glad, because that helps me in my argument. In the first speech I had the pleasure of delivering in this House on the budget, when, in long, far-off, but, I trust, not forgotten days, I was financial critic for the opposition, I brought out this fact: that in 1914, when according to the leader of the official opposition the reduction of duty should have reduced exports abroad, the agricultural machinery people had sent out of Canada no less than $8,000,000 worth of agricultural machinery. I think that if I am allowed to make this argument on this point here, there will not be much to complain of even from the corner farthest from me. Let me quote briefly from the evidence given in 1920 when a number of these various reductions had been made:

So far as the Massey-Harris Company is concerned—

Says Mr. Findlay in a statement prepared by him or on behalf of his company, and placed before the genial member for West York (Sir Henry Drayton) who then occupied the important position of Finance Minister for Canada:

So far as the Massey-Harris Company is concerned, even to-day, placing no other consideration in the scales but that of money making we should be quite prepared to have the tariff taken off our implements if at the same time it were taken off everything that enters into the cost of producing them. In fact, considering how large our foreign trade is, in proportion to the whole, we honestly believe we could make more money under such a free trade condition than we are making at the present time.

But that is not all. He does not make that statement alone. I would draw your attention to this, Mr. Speaker:

On August 14, 1917, following a very full discussion of the whole tariff situation and its effect upon our company, the following resolution was unanimously passed by our directors and placed upon the minutes of the board.

That is the minutes of the board of the Massey-Harris Company

A further discussion on the tariff situation followed, and the president submitted figures illustrating the effect of the tariff on our business, and while the consensus of opinion was, that given free materials, machinery and all other articles entering into the manufacture of our goods and the operation of our plants, we would be as well off with free agricultural implements, it was not thought desirable to make

a statement of any kind at present with regard to the position on account of the unsettled political situation.

Why the unsettled political situation should have anything to do with an economic question as to whether the tariff should come off their goods or not, it is hard for me to say.

—and the feeling that the effect of practically free trade on other Canadian manufacturing industries might be different from its effect on ourselves.

Now with these facts before us is it unreasonable to suggest that the cries of the agricultural implement manufacturers are cries made before they are hurt? But let me cite another witness. The name Cockshutt is a name which has a familiar sound to the older members of this House.

An hon. MEMBER: Where does he live?

Mr. McMASTER: He lives in Brantford. For many years he was a highly respected and much liked member of this House. He was one of the high priests of protection and as a rule, protection of a higher brand than the John A. Macdonald brand, which is exemplified in this House by the official leader of the opposition. In the debates of the session 1912-1913, the then hon. member for Brantford, Mr. Cockshutt, spoke as follows:

Speaking for myself and for my own interests, I would be prepared to say that if we got all our raw materials at an equally reduced duty, either no duty or a duty commensurate with the amount knocked off implements, we could afford, there is no question about that, to reduce the duty on agricultural implements; but it would be at the cost of displacing probably one hundred thousand men in the Dominion of Canada in all these implement works and their tributary industries that supply them with raw material.

Mr. Cockshutt was not afraid for the implement manufacturers, but he did express fears for the people in these other lines of industry whose finished product is the raw material for the implement manufacturer. Among these is the Steel Company of Canada. The Steel Company of Canada cannot have been selling a great deal of raw material to the implement manufacturers these days, because the implement manufacturers, by reason of the condition of their customers the farmers, have not been able to sell as much as they used to sell; but that company, I noticed with a great deal of pleasure the other day, while it made $484,000 in 1922 had made $1,400,000 in 1923.

It seems to me that on the whole the question of the implement manufacturers has been fairly adequately dealt with, and the testimony of the hon. leader of the opposition, the testimony of Mr. Cockshutt, and the testimony of the late Mr. Findlay should weigh in this House almost as much as the testimony

of the genial and much respected and much beloved present member for Brantford (Mr. Raymond).

The next fear of the leader of the official opposition is that the imports of rolling mills products have increased by, roughly speaking, $20,000,000 between 1922 and 1923: Now what are these rolling mill products? These rolling mill products are mostly the raw materials which are worked up by our manufacturers into more finished goods, and the fact that the imports have increased is an evidence, not of a lack of prosperity, not of a lack of employment, but an evidence that there was more demand by the rolling mills for this sort of raw material. I have here, and I am going to ask leave to place on Hansard, a schedule prepared by the Bureau of Statistics in which the whole $50,866,319 worth of rolling mill imports in 1923 are compared with the like imports in 1922, and in the third column you will find the increases.

IMPORTS INTO CANADA OF ROLLING MILL PRODUCTS

—	Years ended December 31		Increases
	1922	1923	
ROLLING MILL PRODUCTS			
Bands, strips or sheets No. 14 gauge, for saddlery	5,768	25,324	
Hoop iron, galvanized	11,325	301	
Rolled bars, bands 3½ cts. per lb	2,498,944	5,452,031	2,953,087
Hoop, band, scroll No. 14 gauge for mfr. of gal. hoop	656,775	773,610	
Hoop, band, scroll, No. 10 gauge for mfr. of cold rolled steel	.....	51,267	
Hoop, band, No. 14 gauge for mats	1,919	2,495	
Hoop, band, No. 14 gauge, galvanized, n.o.p	711,507	805,337	
Hoop, band, rolled, 12 inches in width, 13 gauge or thicker	509,902	900,507	
Steel 12 to 30 gauge for bed fasts	16,455	21,651	
Steel 20 to 30 gauge for corset steels	40,803	43,516	
Steel rolled for saws	147,259	357,109	
Bar iron or steel rolled, etc	2,862,764	4,221,709	1,358,945
Flat steel, cold rolled, for cups and cones	2,873	1,787	
Hammered, drawn or cold rolled bars	79,675	213,820	
Railway bars or rails	789,739	2,262,785	1,473,046
Shafting, 2½ inches in diameter	153,837	289,727	
Shafting, turned	15,139	58,508	
Steel in bars, for shovels	91,406	188,584	
Boiler plate, not less than 30 inches in width	207,636	586,245	378,609
Canada plates	985,520	1,471,250	
Tinplate	5,280,865	6,568,140	1,287,275
Rolled plates, not less than 30 inches in width	884,230	2,187,545	1,303,315
Rolled plates, sheared or unsheared	694,588	1,563,778	869,190
Rolled sheets, 14 gauge and thinner	3,340,260	4,830,081	1,489,821
Sheets, corrugated, not galvanized	11,370	5,474	
Sheets, corrugated, galvanized	7,461	1,318	
Sheets, flat, galvanized	2,770,234	2,982,858	
Sheets, cold rolled, for sewing machines	2,543	25,438	
Skelp iron or steel, sheared, not over 4¾ inches, for mfr. of rolled iron tubes	8,599	17,324	
Skelp, sheared or rolled in grooves for wrought pipe	2,594,380	5,108,048	2,513,668
Steel, crucible, sheets for mower knives	16,877	77,333	
Rolled steel nail rods, for horse shoe nails	44,258	38,405	
Rolled round rods in coil, for chains	7,495	4,229	
Rolled round rods in coil, not over ⅜-inch in diameter, for making wire	754,047	791,286	
Flat eye-bar blanks	7,300	7,988	
Steel plate, universal mill, over 12 inches wide, for mfr. of bridges	271,685	1,274,144	1 ,002,459
Steel beams, sheets, plates for ships and vessels	216,286	232,962	
Rolled iron or steel angles, beams, 35 lbs. per lineal yeard	2,529,749	4,483,049	1,953,300
Rolled angles, etc., n.o.p	809,892	2,823,680	2,013,788
Iron and steel bridges and parts thereof, columns, shapes or sections	54,400	115,676	
	30,095,765	50,866,319	

Now these increases amount to about $20,000,000, and of the increases $7,000,000 are on the free list. What does that show? It shows that in the opinion of those protectionists who made and who maintain this tariff it was wise to have them come for the benefit of Canadian industries. That being the fact, is it fair or right for the leader of the opposition to say: "It will be interesting to have a calculation of how many artisans of Canada have been

exiled from our country because of these importations." These importations exiled no artisan from our country. These importations made it possible for men to do work which otherwise they would not have had to do in this country.

Now the next point—

Sir HENRY DRAYTON: Before my hon. friend leaves that point I would raise the question as to whether permitting a statement to go on Hansard which has not been read is not creating a precedent.

Mr. GRAHAM: The rule is very often overridden. I have no doubt the member for Brome (Mr. McMaster), if the House insists, will read this statement. I would be prepared to say that under the circumstances he should be allowed to place the statement on Hansard.

Sir HENRY DRAYTON: And what is the attitude of the government regarding the creation of a precedent?

Some hon. MEMBERS: Carried.

Mr. GRAHAM: Well, if this creates a precedent, there have been several just like it.

Mr. McMASTER: I am absolutely in the hands of the House.

Sir HENRY DRAYTON: Would my hon. friend the Minister of Railways (Mr. Graham) give me one reason in support of his stand. We of course, have had the practice in connection with the financial statement of the Minister of Finance and also when the Minister of Railways presents his annual railway statement.

Mr. GRAHAM: At the moment I recall that it is done every year in connection with the railway statement. However the responsibility rests upon the House. The hon. member for Brome is in the hands of the House, and if any hon. member objects he will have to read this statement referred to.

Mr. McMASTER: Mr. Speaker, I have no desire to place this on Hansard if there is the slightest objection to it by any hon. member. I propose to put the statement on Hansard because it is very long, and I would not impose upon the patience of the House by reading it all. I think that if it is placed on Hansard my speech, if it has any value at all, will be more readily and more easily understood and considered.

Sir HENRY DRAYTON: I have no objection.

[Mr. McMaster.]

Mr. McMASTER: I did not catch my hon. friend's last remark.

Sir HENRY DRAYTON: I raise no objection.

Mr. McMASTER: Very good. I thank the members of the House for their courtesy.

We come now to the question of woollen importations. Woollen importations from Great Britain have increased by $4,000,000. Now, $2,000,000 of this represents raw materials—raw wool, noils, and tops have increased little more than $2,000,000; yarns decreased a little from one year to another. So that, taking them all together raw wool, noils, tops and yarns—these three raw materials for our Canadian mills—constitute just half of the increase. But there has been another result of this increase of woollens into Canada. The result has been that the consumers of this country are getting their socks and their stockings cheaper than they were getting them a few years ago; and I think that the interests of the men, and the women and the children who wear stockings and socks in Canada have really more claim on this, or any other government, than has the particular interest that manufacture such things. Then just before I pass from the question of knitted goods, woollen goods, I would make this observation. It may be that some of the smaller mills have gone out of business. The duty on undershirts and knitted goods is 22½ per cent, 30 per cent and 35 per cent. If goods come in by St. John, or Halifax, or Montreal, you would have to take another 2½ per cent off the British preference, which would bring it down to 20 per cent. Therefore these goods are protected under the British preference by a duty of 20 per cent. Surely that should be enough protection if these industries are really native to the soil. Is it in the interests of the manufacturers themselves, if a duty of 20 per cent will not protect them, to keep them in a state between life and death by giving them higher protection? I say no it is not and I would make this observation: There are certain manufacturers of knitted goods who have made tremendous profits during the last ten years including the last year. I hold in my hand a copy of the Financial Times, and I find that Penman's, a concern that manufactures woollen goods, has earned on its common stock for ten years a total of 217·10 per cent—that is, it has had a revenue of 21¾ per cent per annum on this common stock for ten years. Now, surely such an interest as that should not be afraid of having the duty on its products somewhat reduced.

Mr. WHITE: Will the hon. gentleman give us the returns for the last ten years?

Mr. McMASTER: There was 147 per cent on the earnings for ten years put back into the business. That is to say, the other earnings were distributed in dividends, and 147 per cent was put back into the business. I read here:

> Out of 217.10 per cent earned on common, 1914 to 1923, 70 per cent has been paid in dividends. Ten year income equals 494.41 per cent on preferred against 60 per cent paid in dividends.

This is from the Financial Times of Saturday, March 1, 1924.

Mr. WHITE: Does the hon. gentleman say that the return covers the years between 1914 and 1923, thus taking in the war?

Mr. McMASTER: Yes, it would cover the war period. No doubt the profits were very large during the war period, but the point I want to make is this: It is not a fair representation of the textile business to place before the House to merely bring before the House those institutions that have not done well without, at the same time, bringing those that have done well.

The House will bear with me during the discussion of these long statements. I cannot say, as a member of the British House said a while ago, that I have a passion for statistics, but I think it is wise when statistics are quoted that they should be thoroughly gone into. I will just deal for a moment with the observations of the leader of the opposition on butter and cheese. The leader of the opposition has a style of oratory which we all admire. He has, as every artist has, the sense of the value of contrasts as well as the value of harmony, and just as a decorator will pick a colour here and a colour there, selecting one which will contrast beautifully with the other, so we find that the leader of the opposition has dealt with these figures. He says that the exports of butter went down in one year from $8,000,000 odd to $4,000,000, and that the exports of cheese went down from twenty-seven millions odd to twenty-three millions odd in one year. Those statements are absolutely and literally true, but the impression made would be that there had been a decrease in one year, in the same year, in the exports of both butter and cheese which would aggregate about six and a half millions, and that is not the fact. How is that impression made? It is by picking out the records of butter for one year and comparing them with another, and then picking out the records of another year in order to make the comparison with cheese.

9 p.m.

Mr. LAPOINTE: Hear, hear.

Mr. McMASTER: Did I hear "hear, hear"?

Mr. LAPOINTE: Yes, from me.

Mr. McMASTER: I heard no signs of negation from hon. gentleman seated immediately—not angularly—opposite. What is the right way to make a comparison? It is to take all the dairy produce, butter, cheese, milk, fresh and cream, and condensed milk, and compare them over a period of years. I have made the comparison, and as the statement is short, it will be quicker for me to read it now than to have any discussion whether the schedule shall be placed on Hansard or not. The statement is as follows:

	Exports—Dairy—Products		
	1921	1922	1923
Butter..	$ 3,648,047	$ 8,105,395	$ 4,905,608
Cheese..	27,088,908	21,636,739	23,449,401
Milk, fresh and cream	2,435,977	3,024,725	4,888,797
Milk, condensed.. ..	5,641,831	3,134,590	5,104,398
Total..	$38,814,763	$35,901,449	$38,348,204

So here you have a falling off in one year and an increase the next. This is a case, I think, that emphasizes the correctness of my attitude when I say: When you receive statistics, study them profoundly, or you will run the risk of regarding statistics as they were regarded once by a gentleman who said: "There are three degrees of untruthfulness; the lie, the condemned lie, and statistics."

I should like to turn to the address delivered by the hon. member for St. Lawrence-St. George (Mr. Marler). I regret that he is not in his place to-night. I should like to congratulate him—and my words, of course, will reach him in due course—upon the very able presentation which he made of the financial condition of the country, a presentation which showed immense research, immense labour, and which was most attractively set forth in this House. As to his remarks upon the trade question, I do not find myself in such complete accord. He stated:

> We are not a sufficiently self-contained nation. We should be self-dependent. We should not import so much foodstuffs or so much manufactured goods as we do.

As to foodstuffs, I have already wearied the House with statistics in connection with the observation made along the same lines by the leader of the opposition (Mr. Meighen). As to manufactured goods, what appears to be forgotten by the hon. member is this, that unless we are prepared to receive largely in manufactured goods the price of our pre-manufactured goods the price of our exports of natural products, I, for the life of me, do not know how we are going to get paid for our exports.

Sir HENRY DRAYTON: What kind of credit would the hon. gentleman think would be made available by the payment of our annual indebtedness out of this country, a very large amount of which indebtedness is held in England, some $260,000,000?

Mr. McMASTER: No doubt we have an annual indebtedness to be paid and some of it is due in England. I would imagine that a great proportion of our debt which has been due in England, has already been transferred to the United States. I have no need to press the point, because I observe the hon. member agrees with me. I doubt whether we have a great deal due in England now, though we have a certain amount, and of course Great Britain owes us on national account a considerable amount of money, some $10,000,000. I think on the whole, at this time in the world's history, Great Britain will have to pay us for the goods which we send her.

Sir HENRY DRAYTON: No.

Mr. McMASTER: I am afraid she will. As a matter of fact, I do not believe our farmer friends are going to ship grain which they do not get paid for, and I am sure our millers are not going to ship flour unless they get paid for it.

Sir HENRY DRAYTON: Has my hon. friend made any calculation as to the amount of the annual indebtedness of Canada?

Mr. McMASTER: I have not made any calculation as to the exact amount of our indebtedness in Great Britain, and I do not think it could be made, for the reason that a great deal of our securities that represent debts which we contracted in days gone by through the issue of bonds in London, went over to the United States when Great Britain was borrowing heavily from the United States during the war, and also that vast quantities were bought back by ourselves. I remember when my hon. friend (Sir Henry Drayton) was Minister of Finance, he placed a sort of voluntary embargo against the re-importation of our Canadian securities from London for the purpose, he said, of maintaining exchange rates.

Sir HENRY DRAYTON: My hon. friend is quite wrong about that. It was not for the purpose of maintaining exchange rates; it was for quite a different reason, but that is an extraneous matter. Would my hon. friend give us his idea, as a financial expert, what the sum really is? I am speaking, not about our indebtedness in England alone, but about our foreign indebtedness. It has been placed at various sums. The lowest I know of is $260,000,000 a year on interest account, whether he accepts that or not.

Mr. McMASTER: I cannot accept that without full opportunity to examine into the whole situation. The point I wish to make is this—and I do not think it can be gainsaid—that when we export goods from Canada, we have to be prepared to take payment for those goods in large measure in manufactured articles coming from abroad. I quite agree with the hon. member for West York (Sir Henry Drayton) that we owe money abroad, but I cannot say how much money we owe abroad. I think in view of the transfers of securities from the Old Country to the United States and to ourselves during and since the war, any estimate made is merely an estimate and cannot be accepted as definite, though I do not doubt for a moment that we still owe a considerable amount of money outside of this country. But I would say that it was mostly in the hands of United States, and not of British, investors; and if we are going to continue to send vast quantities of our raw materials and of our manufactured natural products, such as flour, to the markets of Britain and Europe we must be prepared to take payment in goods. Now, how do nations adjust their trade balances? In days gone by, when the balance was only a little one way or the other, it was done in gold. But now the export of gold from one country to another is practically forbidden. A nation may pay in services for the goods which it receives, and no doubt a certain amount of our raw materials and our flour which we send to Great Britain is paid for by insurance and shipping services which the people of the Old Land give to Canada. There is however no question that in the ultimate analysis the great medium of payment for our goods which we ship is goods of a different sort which we receive in return. The point I want to make is that you cannot interfere with the flow of goods into a country without interfering at the same time with the export of goods from that country. That is not merely a principle that is current in the classrooms of college professors of political economy, it is the foundation stone of international banking and is a fact that is known to every international banker in the world. What do the ships carry which we see leaving Montreal? Sometimes you will see a tramp steamer which is loaded entirely with wheat, carrying nothing else,—it may have a few deals spread here and there in order to prevent the wheat from shifting on the stormy sea. But the typical cargo, as I was informed by one of the head shipping men in

Montreal when I was there last week end, is wheat, cheese and packed meats from Chicago or Canada. That is the typical cargo of the liners leaving Montreal; and on the ships coming in we get all sorts of goods from the Old Country.

I do not want to dwell too long on this point. Let me take another. Can protection increase employment in the lump or as a whole? It cannot. And this is the reason. It is quite possible that if you protect one industry you may give more employment to men engaged in that particular line than you would if you allowed matters to follow their course. But you cannot increase employment as a whole, because when you get goods into the country they are paid for by something you produce in the country itself, and the production of those goods gives as much employment as if you manufactured or produced what is imported. The only difference is this, that where you allow trade to flow freely the labour and capital of the country will flow into the channels which will produce the greatest wealth instead of being diverted, as they often are, into lines of activity which really are an economic waste so far as the national wealth is concerned. Let me give two examples. Before the war a certain British shipbuilder tendered for six ships to be built in Great Britain. He was able to tender lower than anyone else because he could buy his steel very cheaply in Belgium. But, you may say, the steel workers of Great Britain were deprived of the work of making that steel which would go into the ship. That argument is unsound, because the ships would never have been built in Great Britain unless the shipbuilder had been able to get cheap steel from Belgium. The ships would never have been built, and neither the shipbuilders in Great Britain nor the steelmakers in Britain would have had any work. But being able to get cheap steel from Belgium the shipbuilder was in a position to give employment to labour in Great Britain; and while the steelmakers there had nothing to do with that particular order they no doubt were working on some other order.

There is a famous economist in the United States, William F. Culbertson, who is on the tariff board of the American government. He cites a case to show how import duties will interfere with trade and business, and therefore with labour. In the production of high grade steel a manufacturer must have a substantial supply of tungsten, chromium and manganese. A duty is imposed on these minerals by the tariff law of the United States of 1922. It therefore became necessary to give compensatory duties to protect the maker of this high grade steel in the American market; and as far as the American market was concerned he was almost as well off as before. But the manufacturer, when he went into the foreign market, was at a disadvantage as against the steel manufacturer who was able to get tungsten, chromium and manganese free of customs duties. In that way protection must always reduce labour in so far as it prevents labour from working for a larger market, it is bound to increase the cost of production. Of course, the fear that lower duties must result in unemployment disappears when one grasps the way in which international trade is carried on.

Perhaps I might be allowed at this point to refer to an observation made by the hon. member in connection with preferences. He said in the course of his remarks that we gave preferences to Great Britain because we wished to increase our exports to that country and hoped that at some time or other Great Britain would give us preference in her markets. I do not believe that was the reason why preferences were given. They were given, to a certain extent at least, as a matter of profound and clever political strategy. That is something that may possibly be advisable at times, although I am not particularly fond of it. For years before the election of 1896 our Tory friends carried on a campaign of waving the old flag. In 1891 Sir John A. Macdonald said: "A British subject I was born; a British subject I will die," and he denounced the Grits because they proposed reciprocity with the United States. In 1896 the flag was waved, as it has been on some occasions since—the same tactics have been pursued since that time. What did the Minister of Finance do in 1897? The Liberal party had promised a reduction of duties, and so he reduced the duties by giving a substantial British preference, thus rather spiking the guns of his political opponents who had wreathed themselves about with the Union Jack and pretended to be the sole depositors of Imperial sentiment and British loyalty. But even there the matter was done not altogether to my liking, because some of the duties were raised before the preference was given. Preferences may have their place where two protectionist nations decide to move towards free trade, and each one gives to the other a certain facility in his market. It is a sort of reciprocity. It may be, and I think is, justified where a country moving from a protectionist status to a freer trade status gives

to countries that allow its goods in free a better standing in its markets than to those that do not. But as to the proposals made recently for preference within the British Empire, which mean that Great Britain must, first of all, put a duty on the food of her people and the raw materials of her industry—I speak pretty well for myself in this House and perhaps for no one else—desperate as is the condition of many of our agriculturists, desperate as is the condition of many of our fishermen, I would be sorry to advise my fellow citizens for one moment to ask that the people of Great Britain should tax themselves on their food and raw materials in order that they might give us a preference in their market. I wish to see the Old Country strong and powerful—a power for peace and a power for righteousness in the world, and I believe her power as a great commercial nation is based, and based solidly upon the gospel which Bright and Cobden converted her people to eighty years ago.

But is it desirable from our own standpoint? Suppose we could get the people in the Old Land to tax wheat and other foodstuffs and raw materials coming in, and then give us a preference, would it be in our own interests to ask them to do so? I do not think it would, because, I assert the preferences would not last very long once the people of the United Kingdom had adopted the protectionist attitude of mind. We have seen it. Certain interests among the British people did not want our live animals for food purposes to come into the British market, and they kept them out for thirty years by slander, by saying our cattle were diseased, when they were much freer from disease than were their own herds. And recently what have they done? Through efforts made by different administrations in this country, all trying earnestly and sincerely to have the embargo removed—I make no exception in giving credit to Grit or to Tory in regard to the removal of the embargo—finally they succeeded in getting the British authorities to say the embargo would be removed. Well, it was removed. But so many vexatious regulations have been imposed, the doors have been opened so often only to be closed a few days afterwards on pretexts that a great many of us do not believe are very serious, that we have a continuation of what we might expect when the protectionist mind has thoroughly imbued the trade policy of the British people. The preference would not last very long, say, on wheat when the British farmers came to their members and said, "We only want a cost-of-living tariff against wheat coming in from Canada." And another very important point is this. Suppose the British people allowed our wheat to come in, and at the beginning they had a one hundred per cent preference for our flour, and that the millers, shrewd people, went to the British government and said, "Now, we just want a little cost-of-living tariff against Canadian flour. You are giving them a one hundred per cent preference. Now, just give them a ninety per cent preference; it does not amount to very much." What would it amount to? It would mean that a great deal of the flour milling carried on in Canada would be carried on in Great Britain, to the very great loss of our dairy farmers. No, we had better not ask, as the Minister of Justice (Mr. Lapointe) said so ably and so eloquently this afternoon, for any more freedom in the British market; we had better restrict our preference to that. We had a preference before in the British market, and it was removed after the Corn Laws were repealed. Well, the protectionists of Montreal were so angry that they signed an annexation manifesto, and when the King's representative came down from Monklands, outside Montreal, to open up parliament, they treated him with grave discourtesy. I use the language of moderation in that description. When Mr. Baldwin proposed to give a bonus to encourage the growing of wheat in Great Britain of £1 an acre, I think it was, that bonus would have operated to the displacement by British wheat of wheat from Saskatchewan as well as of wheat from the Argentine. We had better not encourage the protectionists in Great Britain; rather we had better realize the wisdom of the free traders there, encourage them, and endeavour prudently and carefully to follow the example that they have given us.

And now let me add this. Before the member for St. Lawrence-St. George (Mr. Marler) sat down he invoked the name of Laurier, quoting one of his speeches, which certainly expressed a protectionist feeling. Now, while he was speaking I thought I caught the date of that speech to be 1871, but apparently the Hansard reporter did not catch the date, or it disappeared in some other way. So having this almost passion for statistics, I looked up the date and found the speech with the protectionist sentiment was delivered in 1871, when Sir Wilfrid Laurier was not yet thirty years old. Having sat under Sir Wilfrid, having followed him all my life, I prefer to turn to the results of his later experience and to his wider knowledge than when he was a fledgling member of the Quebec legislature. Let me quote to the House from an address delivered by Sir Wilfrid Laurier a few days before he

died. After vaunting the free trade policy of Great Britain as the shield and buckler of that country and the policy which had enabled her to come triumphantly through the war, to finance her Allies and to pay her debts, he said this:

> In this country, Sir, Liberals have always been the disciples of the British people on the question of commercial freedom. Indeed, many years ago—when you recall that time to-day in the resolution which was passed upon this subject at the convention of 1893, we declared against the principle of protection, and when we had the opportunity we lived up to our declaration. Sir, it has always been made a cause of reproach to us that when in office we did not adopt, but were recreant to our declarations. Such a reproach cannot reach us. We were not recreant, we proceeded step by step towards the goal, always keeping it in view, never imposing a duty for protection's sake only, but always acting upon the principle or the basis of a tariff for revenue, and revenue only. This was our policy in the past, it is our policy to-day and we have taken this occasion to reaffirm it.

Now, whether or not Sir Wilfrid's statement of what the Liberal party had done was tinctured with a certain amount of that kindness which was the embodiment of his nature is not the question. The point I make is this, that he who represents Sir Wilfrid Laurier as an advocate of protection may be representing the Laurier of 1871, but he is not representing the thoughts and feelings of the man who became the leader of the Liberal party in 1887, who led it in the election of 1891, who led it in the election of 1896, who presided over its destinies from 1896 to 1911, when he went down to defeat in an endeavour to give to this country the greatest free trade measure that this generation had had an opportunity to accept—went down fighting for the principle of freer trade. It is not the Sir Wilfrid Laurier who presided over the destinies of the Liberal party from 1911 until his death, when during that time resolution after resolution was passed with his full concurrence and with his full support in the House of Commons asking for things which were laid down in the Liberal programme of 1919 and of which we see the glimmerings of hope of realization in the Speech from the Throne to-day.

And now I turn to the last part of my remarks, to the arguments advanced by the member for North Waterloo (Mr. Euler). The member for North Waterloo approaches the delivery of a protectionist argument under heavy handicaps: he possesses a love of liberty, a hatred of special privilege, a clear mind, and a considerable knowledge of economics. His first argument—and his arguments merit the most serious consideration—is this: We need protection to maintain the standard of our industrial workers. That is the way I have epitomized his first argument. Well now, in this country our industrial workers are outnumbered by four to one by all other classes of workers, and the farmers and fishermen combined outnumber the industrial workers about two to one. The census of the different classes into which the Canadian people are divided will not be ready for another year, and I have based my figures on the census of 1911. I am told by the Dominion Statistician that industrial workers have increased in number as compared to farmers, but there has been also an increase in the distributing and professional classes, the wage-earning classes other than industrial, and I do not think that I am far wrong for the purpose of my argument.

Now, my argument is this: The natural producer in Canada, especially the farmer, has to accept for his product a price determined on the markets of the world. When his wheat reaches Liverpool it has to compete with wheat raised by the peasant in Russia, by the peasant in India, by the peasant in the Balkans, as well as by the farmer in the Argentine or in Australia. His standard of living cannot be kept up by legislative enactment, and if we believe in the principle of equal rights for all and special privileges for none, why should one class in the community, and by far a less numerous class, have the right to exact legislation to maintain its standard of living when that of others cannot be maintained by similar legislative enactment? It seems to me that that is sound argument. But I do not pretend that the tariff is responsible for the maintenance of the standard of living among our own industrial classes, as I will endeavour to prove. My friend pointed out that we have cheap labour in England—a free trade country—and that our people in Canada, our industrial classes, should be protected from that cheap labour. Well, that might have been an argument of some moment had we been content to allow it to rest there. But he went on to say: "I find that the industrial workers of the part of the country which I represent are affected by importations, by the cheap labour not only of Great Britain but of France and Italy." But France and Italy are high tariff countries, and in those high tariff countries the tariff has failed to maintain its standard of living; therefore I think in this regard he has proved too much.

Again, I would make this point; although there may be certain industries which at this time feel the competition from the continent of Europe or from Britain itself, I think I am within the truth when I say that the great competitor of the Canadian manufacturer is another manufacturer on the same continent as himself, namely the American

manufacturer. Now, my hon. friend, when I was trying to lead him into a statement in that regard, failed to be led, so I had to go to the figures to make my proof. I find that for the last calendar year the dutiable goods coming from Great Britain amounted to $125,000,000 and that the dutiable goods coming from the United States amounted to almost three times that sum, $361,000,000 while from the United States we imported just about four times as much goods as we did from Great Britain—in fact, fibres and textiles are the only manufactured goods in which the United Kingdom is in any way a competitor with the United States in our markets, that is, as reflected by the trade returns. Of fibres and textiles, $74,000,000 worth came from the United Kingdom and $78,000,000 from the United States, and as to all the rest—iron and its products, non-ferrous metals, non-metallic minerals, and chemical products—we find that the amounts received from the United Kingdom are trifling in comparison to the amounts received from the United States. So I think I can say with a fair degree of accuracy that the great competitor for our manufactures is not the United Kingdom, not France, not Italy, not the countries of Asia, but the United States, and that wages in the United States are if anything higher than in Canada. So that I think the maintenance of tariff for the purpose of protecting us from cheap labour falls to the ground.

And after all, does cheap labour actually involve low labour costs? Not at all. Very often the best-paid labour is the cheapest in the long run. In countries like the United States and Canada the efficient well fed and ambitious workman, although paid a higher wage than the workman of the same class in Great Britain, France or Italy, who has not the idea that he has to "ca' canny" or go easy but believes he should do the best he can for his employer, that he should be prepared to mind as many machines as it is reasonable for him to mind, the workman not imbued with the idea of going as slowly as he can but with the idea of doing as much as he can—that man is in the long run the cheap workman, and he is much cheaper at a high wage than the man with less ambition and less capacity at a much lower wage. And then, of course, we must distinguish between nominal wages and real wages. Protection does not, in my humble opinion, raise real wages. It may possibly, by raising the cost of living, bring about a certain increase of the nominal wages, but not of the real wages. What are the facts? Does protection increase real wages? I take it that it does not. Let me make my point clear.

[Mr. McMaster.]

Protection cannot increase the aggregate wealth of any people. Protection is a tax; protection is a method whereby the government undertakes to direct the labour or capital of the country into one channel rather than into another. Now, the greatest aggregate wealth will be created if labour and capital are allowed freely to find, and they will do so, the channels which will give the greatest economic return. Therefore, under free trade will you get the greatest aggregate of wealth.

Now, what are your wages? Wages are the reward which labour is able to extract from capital. Does it do that better under protection or under free trade? What does protection do? Protection has a tendency to make capital coalesce into larger and larger groups; the larger the group the more power it has. Where do we find the strongest labour unions —in the United States under protection, or in Great Britain under free trade? The fact that we have a Labour government in England today I think adequately answers that question.

I am afraid I have delayed the House for a very long time, and I must ask the pardon of the members for doing so. I have endeavoured to point out the reasons why I believe that the protectionist appeal is a mistaken appeal for this country. The protectionist is fighting in this country against the facts of nature and the facts of geography. We cannot be a self-dependent country. We have got practically only one climate; we are a fairly narrow country, that is, the inhabited part of our country stretching along the northern confines of the United States. We need to trade freely. We need to have the labour and the capital of our country directed into those channels where the greatest economic wealth can be afforded. I do not know how we are to support the economic burdens which we have upon us unless we follow that policy. I ask no government to do anything of an extreme nature, but I do ask this government to see that when they place laws on the statute book reducing the duties, those laws are not defeated by regulations. Let me give just a few examples. A client of mine was accustomed to bring in waxed paper from the Old Land for the purpose of wrapping up his loaves; he was a baker. On that wrapping paper was his name and trade-mark. For some time he brought it in under a 22½ per cent duty. You would have thought that was a high enough duty, but what happened? The Department of Customs declared that was advertising matter. It was no more advertising matter than his carts bearing the same label were advertising matter when they went round the streets of Westmount delivering his

bread. But that was regarded as advertising matter and taxed at a much higher rate.

I have a letter in my pocket from a man in the western part of Canada protesting that when he brought in apples that were taxed at the rate of 30 cents a box, which had been bought in the open market and on which no special discount was given, the Customs made an arbitrary ruling that these had been bought too cheaply and that he must pay an extra 16½ cents per box, which brought up the duty on apples to a 50 per cent ad valorem rate.

Sir HENRY DRAYTON: Could my hon. friend tell me the date of that letter? When did this happen?

Mr. McMASTER: The letter is dated March 7, 1924, and reads:

> During the month of February we purchased several cars of apples from Yakima, Washington State, U.S.A., at 90 cents and some at 85 cents per box F.O.B. there. The duty on these apples was assessed at the rate of 90 cents per barrel or 30 cents per box; but on the top of this the Customs under the Dumping Act have added a further charge of 16½ cents per box. They claim we bought the apples less than they were worth, although these apples were offered and are still being offered freely at same prices.

What the Customs should realize is that they are an organization for collecting revenue on things that come in, not for the purpose, under various pretexts, of keeping things out. I ask for nothing unreasonable. I know that when a country has followed for many years a certain system, that system must be changed with care and discretion. I believe that there are no people in this country whose desires are other than mine in regard to the trade question. We want action; we want prudent action; but we want action visible to the naked eye. I speak for myself; I have no right to speak for any other; but I confidently believe that I represent the feelings of a large number of people in this country, and the measure of the support which such people will give to this government will be in proportion to the spirit of true liberalism and of true progress which it demonstrates in the difficult task of governing and leading this country forward to a better and a finer condition of affairs.

Mr. W. G. McQUARRIE (New Westminster): As I listened to the remarks of the hon. member who has just taken his seat (Mr. McMaster) I wondered if the government could actually be so unkind when the Redistribution Bill comes up again as to abolish the constituency of Brome; and in that eventuality would it be possible for the hon. member to find another constituency?

Mr. LOGAN: Lots of them.

Mr. McQUARRIE: It would be a great loss to this House and to the country if the hon. gentleman had to leave us.

Mr. CALDWELL: No danger.

Mr. McQUARRIE: We cannot blame the government for wishing to decapitate the hon. gentleman, nor can you blame the hon. gentleman for leaving the government side of the House. The hon. gentleman is a very eloquent and convincing speaker, but so far as I can see he is not able to convince anyone but himself. Hence his position of splendid isolation at the tail-end of the House. He was not able to convince the cabinet, nor was he able to convince anyone on his side of the House. I doubt very much whether he will be able to convince anyone on the benches immediately adjoining his seat, where the Labour party sits, nor on the benches to my left; for if he did the only effect would be for them to vote against the government, which I think is practically impossible.

May I be permitted, Mr. Speaker, to add my words of congratulation to the mover (Mr. Kelly) and the seconder (Mr. Lapierre) of the Address. With a great many of the things that they said I am, of course, unable to agree, for obvious reasons. One thing I remarked while the mover was speaking and that was the vociferous applause of the hon. member for Hants (Mr. Martell), who seemed to take quite a fatherly interest in the Address.

May I also express regret at the absence of the Minister of Finance who commands the respect and admiration, I think, not only of all the members of the House but of the people of Canada as a whole. I think it is a distinct loss to Canada that he is unable to occupy his position in this Chamber during the present session.

I regret also that the former Minister of Justice (Sir Lomer Gouin) is not able to occupy the position which he used to hold. I must say that I do not regret that the former Minister of Fisheries (Mr. Lapointe) is now Minister of Justice. He took an interest in his late department, and I have no doubt he will take an equal interest in the Justice department which in my opinion requires some attention. In regard to the former Minister of Justice there is a story current which may or may not have any foundation; I will give it for what it is worth. It is said that the late Minister of Justice was asked if he had given up his position because he was really ill, or if there were other reasons for his retirement. He said that while it was quite true he was far from well, he was not as sick as the Liberal party.

May I also be permitted to congratulate the hon. member for Kent (Mr. Doucet) upon his maiden speech. I think he did splendidly. He is an asset to the Conservative party, and I predict that he is the forerunner of a great many more of his race who will, in a comparatively short time, line themselves up with the Conservative party. I have been wondering about something in connection with the hon. member for Lotbiniere (Mr. Vien). We saw in the press not very long ago that the hon. gentleman had been appointed Deputy Minister of National Defence and we thought—at least I did when I came down here—that congratulations were due him. Now I find the newspaper forecast has not been realized; surprising to say the hon. gentleman is still in his place in this Chamber. I have been trying to account for this and am wondering whether it is possible the government has come to such a state that it is afraid to open a constituency in Quebec. It looks very much as though that might be the case, and I think, particularly after what has happened in Halifax and Kent that is the explanation.

My congratulations are also due to the new Minister of Marine and Fisheries (Mr. Cardin). I was rather surprised to hear that he had been placed in that important position because, so far as I was aware, he had had nothing to do with fisheries up to the date of his assuming cabinet rank and there are certain hon. gentlemen opposite who have taken a very active interest in the fisheries. My mind dwells particularly on the hon. member for Lunenburg (Mr. Duff) who was the great critic on fishery questions when he was in opposition, and has been chairman of the Committee on Fisheries during the present parliament. I have been wondering whether there was a reason for the failure to promote the hon. member for Lunenburg, and thinking that perhaps the government was afraid to open up that constituency also. There is another hon. member of this House who might have been appointed to that position and that is the hon. member for Skeena (Mr. Stork). He, of course, is from British Columbia and has been very much interested in the fisheries there for a great many years. Beyond all doubt British Columbia is entitled to further cabinet representation. Under the late government British Columbia was represented in two important portfolios, namely, Agriculture, and Trade and Commerce. It would have been a fit and proper thing on the part of the present government to have chosen an additional cabinet minister for

[Mr. McQuarrie.]

British Columbia, but it did not do so. The reason, perhaps, is the same as in the other cases—the government is afraid to open a British Columbia constituency. I am very doubtful indeed whether it would be possible for this government to elect even a cabinet minister in that province.

Sir, as I have already said we have a new Minister of Marine and Fisheries. I had the pleasure of a few minutes' conversation with him the other night, and he very kindly consented to give me an audience so that I might go into matters relating to the British Columbia fisheries with him. I think from the attitude he adopted towards me that night, that we shall find him a man who is willing to see what can be done in his department. British Columbia as hon. members are aware, is a province where the fisheries are important and require, and should receive, consideration. There are a number of matters which are entitled to consideration and I think should be looked into. I had the privilege of discussing them with the present Minister of Justice, and I think he could advise the new Minister of Marine and Fisheries that the British Columbia fisheries should be looked into. There is, for instance, the Fraser river which was the greatest salmon fishery stream at one time. On the Fraser river in 1913 something over 700,000 cases of sockeye salmon, perhaps the best grade of salmon on the world's markets were packed. But there has been a falling off in the pack. We have big years every four years. The pack in 1913 was one of the big years. In 1921 the last big year only 50,000 cases of sockeye salmon were packed on the Fraser. Sockeye salmon is worth approximately $15 a case. So the new minister will comprehend immediately that the situation requires looking into. If it is possible to do anything, no time should be lost. I am convinced that something can be done. The most important feature is to continue negotiations with the authorities of the state of Washington. They are also suffering from the depletion of the fisheries in the same proportion as we are. I would like to see the new minister take the question of the Fraser river fisheries up with the board of the state of Washington and see if something can be done. An arrangement might have been made with the authorities of that state whereby the Fraser river would be closed to sockeye fishing for a number of years. They were willing to adopt a close season for a period of years,

10 p.m.

but they would not say what would happen at the conclusion of that term, and they were not prepared

to give any assurance they would not again resort to the old methods which were calculated to deplete the supply. If that means simply restoring the sockeye salmon for the Americans there does not seem to be very much in the proposition. We would like to have an arrangement whereby, at the end of a closed period, the Americans would agree to abide by certain rules and regulations similar to our own. It may not be necessary to close the river entirely for that period, and I do not think it is or will be. As a matter of fact, I can state to the minister, that all the fishing interests in British Columbia, the canning associations, the fishermen and the businessmen are all agreed—they can get together on it—that no sockeye fishing should be allowed prior to the 1st August in any year. That would give the early fish, the ones which go up to the upper regions of the river, which have been absolutely depleted, a chance to ascend the stream and get to those spawning grounds. That might be tried out, and I may say that that opinion has been expressed by some very eminent authorities on fisheries.

There are a number of other matters in connection with the fisheries of British Columbia. I have placed on the order paper certain questions as to the very important recommendations contained in the report of the British Columbia Fisheries Commission, 1922. I am asking if the government intends to do anything to give effect to those recommendations. I hope the minister will look into the matter, and I think if he studies the question, he will come to the conclusion that those recommendations should be carried out.

I should like for a moment, to refer to one feature of the address delivered by the hon. member for Skeena (Mr. Stork) in this debate. That is as to the central organization in British Columbia. I must state positively that I cannot agree in any particular with the hon. member for Skeena. I think it would be a mistake to do away with the central organization. I put it to you, Mr. Speaker, whether any business concern, with its head office in the East and having a branch or wanting to do business in British Columbia, would not establish a central organization there, a British Columbia office, as it were, which would administer, to a certain extent, the British Columbia business? I think that would be the case rather than that the concern should have representatives in the important cities and districts of British Columbia and have no central organization whatever. The desire of the hon. member for Skeena for economy in this connection would not be attained. He has stated that we might save some $50,000 by doing away with that central organization. I do not believe that. There are three districts, and he proposes that each one of those three districts should communicate with Ottawa directly. I believe that instead of having the expense of one organization there as you have now, you would have the expense of three, and the total cost to the country would be thereby multiplied and not decreased. There is a suggestion which I would like to make to the minister and which, it seems to me, is worthy of consideration, if he desires to effect economy in the fisheries administration of British Columbia. Prior to very recently, the central organization in British Columbia was located at New Westminster. They have there a government building, a fisheries building, with ample accommodation for the office. The office was moved to Vancouver where space was rented in one of the large blocks at quite a large rental. If the minister will return that central office to New Westminster, not only might the rental be saved, but I think the staff might be decreased. That is to say, you might use the staff at present in New Westminster with the central organization and thereby possibly eliminate some of the employees. But in any event, by returning the central organization to New Westminster, you would effect a very considerable saving and no one would be hurt. It takes only about twenty-five minutes to go from New Westminster to Vancouver, and there is a first class pavement all the way. There is no reason why the cannery men whose head offices are located at Vancouver, when they are required to do business with the central office, could not either telephone or come over to New Westminster. The really serious situation in connection with British Columbia at present exists on the Fraser river. New Westminster is right on the Fraser river, and it seems to me that that is the proper place for the fisheries office to be where it had been for many years. The offices were taken away without any previous intimation to myself, although I happened to be the member for that constituency. I later on objected, and in that objection I received the support of all the members from British Columbia, with the exception of the members for Vancouver, who took no active part at all in the matter. I think the same condition would prevail now and that almost complete unanimity would be found amongst the members from British Columbia on the question of returning the fisheries office to New Westminster.

In referring to the Fraser river, might I also touch on another matter which was brought up by the hon. member for Skeena, that is in connection with grain elevators? I listened with great interest to what he said about Prince Rupert, and I am not going to contest any of his statements in regard to the attractions which are offered by Prince Rupert as a shipping point for grain. But I say that New Westminster is on the main line of the Canadian National railways. The Fraser river is the first point where grain could be loaded on boats. The Fraser has every facility for the location of grain elevators. The Canadian National Railways, if the question were left with them, would express themselves, no doubt very freely, in favour of locating elevators on the Fraser river. The Canadian Pacific Railway has already said the same thing; it has done more than that; it has acquired large tracts of land on the Pitt river which is a tributary of the Fraser river at Port Coquitlam not very far removed from the Fraser river. My hon. friends from the prairie provinces will be interested in this because it is a matter of economy, a matter of expense, pure and simple, a matter of cost, cost of transportation. We had a visit this year from a number of our Progressive friends who inspected the Fraser river and its facilities. The question is one of shipping grain at the least possible expense, and I need only point out that to take the grain from New Westminster to Burrard Inlet at Vancouver costs something like $15 a car. Besides that, there is a good deal of congestion, and it may be difficult to obtain sites there. In any event, the sites would be very expensive. There is, on the other hand, by locating the elevators at New Westminster, a saving of $15 a car. It may be said by the shippers that the railway companies will have to bear that expense. You know what that means. It means that although the railway company bears the initial expense, at some time or other, eventually, someone else will have to pay, and it will have to come out of the traffic. I suggest that the Fraser river be given a trial. I know that this to a large extent is a matter for private enterprise, but we are hoping that the Minister of Public Works (Mr. King, Kootenay), who has interested himself in the Fraser river, will continue the work which has been carried on there for some time in connection with the channel of the river. That channel has been greatly improved; we have had quite a good deal of shipping in the last couple of years, and the ships of the Canadian Merchant Marine and of other lines are coming there pretty frequently for lumber. The Fraser river is the centre of the lumber industry of British Columbia, about one-third of the lumber cut in the province being cut by the mills on that river. The business is there, and I respectfully ask that the Minister of Public Works continue the work he has been doing.

I quite agree with other hon. gentlemen who have spoken about the necessity for strict economy, and it seems to me that we might begin the practice of economy in this House. In any event I think it would be advisable that the session should be as short as possible consistent with the business that comes before the House. I was pleased to hear from the Minister of Justice (Mr. Lapointe) that the cost in connection with parliament was not so large as had been reported; but still we all know that it costs a good deal to keep this House going. I suggest that in order to reduce the length of the session we might meet each day at 2.30 instead of 3 o'clock in the afternoon. I can see no reason why that should not be done. Personally, I would go so far as to advocate meeting at 2 o'clock, but that perhaps might be inconvenient for the cabinet. I do think, however, that we might try 2.30 and save half an hour each day; over a period of four or five months that would represent a considerable economy of time.

I would call the attention of my hon. friends to my left to a statement made recently by the Right Hon. William M. Hughes, former Premier of Australia, who said that three parties were a luxury which no country could afford. I think the Progressive group might take that suggestion into consideration. They could divide things up, some of them coming over here and others going on the opposite side of the House. I do not suppose that they would all go over to the other side; but when they are voting with the government, or at least the great majority of them, there is no reason why they should not be on the opposite side, thus dispensing with this "luxury". I think that sane economy should be practised, and not false economy which would tend to retard the development of the country, I regret the policy of the government which has resulted in the discontinuance of federal aid to highway construction. A great deal of very valuable work was done by means of that grant, and when we realize the fact that tourists who come to this country leave many millions of dollars, and that many millions more would be spent in the country if we had good roads, I think

the government should see the advisability of reconsidering its policy and of again doing something to assist in the construction of highways. It is also a matter for regret that the government has discontinued the aid to agricultural education. That was something that was doing considerable good. In our part of the country a great deal had been accomplished through the women's institutes and other organizations which were supported from this grant. I am very sorry indeed that the government saw fit to discontinue this aid.

Let me refer for a moment to the question of old age pensions. I think the time has arrived when this country should do something in this regard. I shall not go into the question at great length to-night, but we have seen how the matter works in other countries that are smaller and less prosperous than our own, and it seems to me that the time has come when it should be seriously considered by the government of this country. While I am on this subject I might also mention another of great importance; I have reference to the grant to the Victorian Order of Nurses. That grant has been $5,000 a year, which, in my opinion, is a disgracefully small sum for a country like this to contribute to an organization of that kind. The health of the people is a matter of vital importance; it is the most important thing that public money can be expended upon. If hon. members had the privilege of following one of the Victorian Order Nurses on her rounds he would see what a splendid, noble, heroic work these nurses are doing. He would find such a nurse going to homes that would not otherwise receive the attention of any nurse; he would find her going into homes where the people could not afford to pay for the services of a nurse; he would find that the organization was doing a great deal of charitable work. In these circumstances I think it would be a small thing to the country, and the increased taxation would be hardly appreciable, if that grant were made twenty-five thousand dollars instead of five thousand. The committees throughout Canada, working under the patronage of Her Excellency, are doing very valuable work voluntarily, without remuneration, and they are having a hard time. I seriously urge the government to take the matter into consideration.

Now I come to the Civil Service. There is no doubt in my mind that care should be exercised in the dismissals that are made in the Civil Service, because it is a matter of much importance that efficiency be not impaired. I think that a fair living wage should be provided for all who are retained in the service. I do not believe in keeping anyone in the service who is not doing his or her work or who is not of value to the country. I do say, however, that those who are retained should receive a fair living wage, and they should be decently treated just as the employees of an ordinary employer would be treated. The stability of salaries should be established; I do not believe in the principle of bonuses at all. To my mind it is a pernicious system, and more than that it seems to be—in fact I know it is—unsatisfactory to the employees themselves, for they do not know where they stand. I have seen recommendations which have been made by the Amalgamated Civil Servants of Canada to the government, and I do not think these recommendations are unreasonable. They ask for a salary revision and I think it should be granted; they request that the whole matter be taken up and salaries revised and put upon a fair and reasonable basis. Then there is the matter of superannuation. It is a most unfair thing in my opinion, that a man or woman who has served the country for a number of years, should be turned out upon the street without consideration. We should have superannuation, and I hope the government will do something in that direction.

I agree with those who say that taxation must be reduced, and there are ways of doing it which probably will be discovered by the new Auditor General or by the cabinet themselves. At least I hope so. I think the sales tax should be revised, because unquestionably it is not equitable in its operation. I will give an example of this in connection with our lumbering industry. A tremendous export business has grown up in British Columbia lumber, but those engaged in it are up against the sales tax. For instance, if a saw-milling company receives an order, say, from the Canadian Pacific Railway, for a shipment of lumber, the price will be quoted plus 6 per cent sales tax; if the railway company goes to a licensed wholesaler, the price quoted will be plus 3 per cent sales tax; if an order is given by the Dominion government—and a good deal of lumber is used there by the Public Works department as the minister is aware—the Dominion government has to pay a 6 per cent sales tax, while if the provincial government is the buyer no tax is payable at all. Without going into further detail, I need only say that this condition of affairs is not good business, and there must be a revision of the tax.

Then the income tax should be reduced. I would suggest that life insurance premiums be exempted. I think it is a wise policy to

encourage our people to provide protection for their families, and I am not a life insurance agent; I do not need to argue the question. In the province of British Columbia there is an exemption for premiums of life insurance on the life of the taxpayer "not to exceed one-sixth of the total of the gross annual income of the taxpayer, if paid, receipts therefor to be produced to the assessor on demand." That has been the British Columbia law for some time, and is, I understand, also the law in England.

As to the tariff, I wish first of all to state that we in British Columbia are directly as well as indirectly interested in the prosperity of the prairie provinces. They are our neighbours and we are affected immediately by conditions there. In fact, our seaports are claimed by the people of those provinces as their own. The grain from all of Alberta and a great part of Saskatchewan will in a comparatively short time go out by the Pacific coast ports. Estimates have been made by those who know what they are talking about that inside of five years 200,000,000 bushels of grain will be exported through the Pacific ports. Hon. members will appreciate what that means to us. Therefore I say advisedly that we are interested in the prairie provinces in more ways than one. When the farmers on the prairies make money they come to British Columbia to reside, and thereupon their ideas on the tariff completely change—as a general rule they become good Conservatives. I know of them, men who had been heads of locals and had occupied other positions of prominence in the prairie provinces, supported me during the last election. We are glad to have them come to our province, and if any method can be devised to revise the tariff in such a way as to benefit the prairies without seriously hurting us, why every man and woman in British Columbia will hold up both hands for it. We are prepared to co-operate with the farmers of the prairies. Therefore I hope some solution of this difficult question will be arrived at.

On the 10th instant I asked the Acting Prime Minister (Mr. Graham) a question in regard to the American tariff on Canadian wheat, and I will read the question and answer as they appear in Hansard of that date:

Mr. W. G. McQuarrie (New Westminster): Might I ask if the government contemplates taking any action, by way of retaliation or otherwise, in regard to the proposed increase in the United States tariff against Canadian wheat and wheat products?

Hon. members will note that I said, "by way of retaliation or otherwise."

Hon. G. P. Graham (Acting Prime Minister): "Retaliation" is a bad word to use in business, if the object of trade is to make a profit. I would not like to say that the government had even been considering retaliation.

Well, apparently they have not been considering anything else in that connection. That is the great trouble with this government—they are inactive, they do nothing.

Mr. GRAHAM: The member for Vancouver did not say so.

Mr. McQUARRIE: You need not take my word for it. I can quote to you from a good Liberal British Columbia newspaper on the subject—a newspaper which, as far as I know, has always supported this government. This is a short extract from the Vancouver Sun of the 17th January last, and is from the clever pen of John P. McConnell:

What is the outstanding fact in Canadian politics to-day? "Inaction of the government," is the answer.

Inaction in progressive legislation, inaction in carrying out promised programmes of development, inaction in reducing taxation, inaction in bringing in immigration, inaction in reducing emigration, inaction in promised tariff reforms, inaction in reducing the expenditures to meet revenues, inaction in reducing the national debt—everywhere you look you see a dreary, silent wilderness of dormant inaction.

This is the most general complaint I hear in Toronto and Montreal by both friends and enemies of the government, in business and political circles.

Inactivity, smug complacence of the government in face of crying demands of the country, are getting on the nerves of the business community. . .

Recent happenings in the East do not tend to increase confidence either in the government's intentions or ability to remedy matters.

That is the trouble in connection with the tariff. In British Columbia, in my constituency for instance, we are very much interested in the tariff. I can tell my Progressive friends that I represent something like 20,000 farmers as well as about 25,000 other people. In my constituency there is the best farming land in British Columbia, the delta of the Fraser river. We produce almost anything that could be produced anywhere, with the possible exception of tropical fruits. We have to admit that "we have no bananas," but otherwise we can produce anything. It is a great dairying district, and besides we produce hay and oats, vegetables of all kinds, and fruits. We have the greatest poultry business of any part of Canada, I suppose. We are right up against this question of the tariff, there is no doubt about it. I do not think my Progressive friends would be anxious to injure us, except perhaps, to benefit themselves in their own respective districts.

The member for Yale (Mr. MacKelvie) has spoken about fruit; I am interested in fruit, too. We grow in my constituency and

in the adjoining constituency large quantities particularly of small fruits and I can corroborate everything the hon. gentleman said in that connection. Let me just mention one point in connection with eggs. Mind you, we are right there beside the border, and running through, but of course not all in, my constituency for a distance of 2,000 miles, from Vancouver to San Diego, California, there is the Pacific highway, a paved road all the way. Every day, I was almost going to say every hour, big truckloads of produce grown in the United States come into our markets via that road and the result is very hurtful indeed to our farmers. I have here an editorial from the same paper that I referred to a moment ago, the Vancouver Sun, dealing with the subject of eggs, and if the House will permit me, I will read it. It was published on the third of this month and it says:

> Failure of the Ottawa government to impose a reciprocal tariff on eggs entering Canada from the United States is having a depressing and, in some instances, an almost calamitous effect on the poultry industry of British Columbia.
>
> Both in point of quality and quantity this province has become one of the chief egg-producing centres of the North American continent.
>
> According to official record of performance figures, the percentage of birds qualified in British Columbia as producers of 150 eggs and over, has increased from 21.2 in 1920, 39.3 in 1921, 47.8 in 1922 to 68.5 in 1923. Annual percentages for the rest of Canada are, 11.9 in 1920, 19.5 in 1921, 19.8 in 1922 and 30.1 in 1923.
>
> British Columbia birds qualified as producers of 225 eggs and over, have increased from 2.2 in 1920 to 18.9 in 1923. The increase in this class for the rest of Canada has only been 1.5 in 1920 to 2.5 in 1923.
>
> British Columbia, therefore, is Canada's chief poultry centre. Legislation in regard to the Canadian poultry business should be based on British Columbia records as a standard.
>
> But instead of encouraging and nourishing the British Columbia poultry industry, existing Canadian tariff laws consistently throw business into the hands of American competitors.
>
> The Eastern Canadian market is flooded at present with American eggs that gain entry to the country on the comparatively negligible tariff impost of 3 cents a dozen. Considering the difference in transportation costs, British Columbia producers cannot begin to compete in the Eastern market under such a handicap.
>
> Moreover, the opportunity to recoup this loss in the New York market is obviated by the fact that Canadian egg exporters are faced with an 8-cent duty when they attempt to ship into the United States.
>
> British Columbia poultrymen, therefore, are shut out of American markets by high American tariffs and shut out of Canadian markets by American competition fostered by low Canadian tariffs.
>
> Until the Canadian Government sets up a reciprocal tariff, this fine healthy industry is doomed to a struggle against adverse circumstances, and the prosperity of Canada will be retarded.

Our neighbours to the south have a great advantage over us in that their season is two or three weeks earlier than ours in respect to all produce; that gives them the opportunity of getting the first market, and the first market is always the best. I submit seriously to the government that something ought to be done on this subject of tariff. At least they should consider doing something, but evidently they are not considering doing anything. If they wish to do right by the people of this country, if they have any interest in their welfare, it seems to me that they should consider what action should be taken in this respect. I am inclined to agree with the hon. member for North Waterloo (Mr. Euler) who said it appeared to him that in dealing with our friends on the other side of the line retaliation was the proper medicine.

I have no doubt that hon. members particularly to my left would be greatly disappointed if I did not mention the oriental question. There is just a chance, you know, that unless we say something the government will come to the conclusion that the oriental question is a dead issue. But it is not a dead issue by any means; the people of British Columbia are not going to let it die. The Minister of the Interior (Mr. Stewart) knows what it is. I was sorry to see him leave the Department of Immigration. I do not know whether we shall have as good a friend in the present minister; he may be all right, but some of the statements he made in the House—in dealing with this subject, about the business we would lose and that kind of thing did not appeal to me at all. It is not a matter of business; it is a matter of the future of this country. If we do not get any business at all from Japan it does not make any difference to us. They have got to do the business anyway; they are buying these things from us because they think it pays them to do so. So that from what the present Minister of Immigration (Mr. Robb) has said on several occasions, it seems to me that he is making too much of that point. Let us forget that business question altogether and think about the matter from the point of view of nationality. As I say, the people of British Columbia are not allowing this oriental question to die; far from it. They are starting something, and the government should be in on it—an oriental survey of the whole Pacific coast, which has opened in the city of Vancouver under the direction of Dr. Robert E. Park of the University of Chicago. If the Minister of Immigration (Mr. Robb) were here I would ask him to pay particular attention to what I am about to read. This is from an article in the Vancouver Province of recent date:

The survey in question will be both scientific and comprehensive. The oriental problem on this coast resembles the weather, of which Mark Twain complained "that though everyone had talked about it very little had been done." The aim of the survey is to replace opinion with facts. For this purpose a carefully directed study will be devoted for a year or more to every phase of the relationship of the oriental to this continent. The survey, in consequence, will not concern itself with any viewpoint or the support or advocacy of any school of thought on this subject.

It is also felt that so far as the oriental is concerned the Pacific slope of Canada and the United States is the racial frontier of America.

The institute offered to co-operate with the people of the coast on any plan for an exhaustive and scientific study of the matter. As a result regional councils have been formed at five points—Vancouver, Seattle, Portland, San Francisco and Los Angeles, and groups at these points have undertaken to raise $30,000 for the work of the survey. The Institute of Social and Religious Research is contributing $25,000.

For this work, the co-operation of the University of Chicago had to be enlisted, as Dr. Park, who is one of the outstanding sociological and psychological experts of America, had to be released for this special work for a year at least. He is the author of a number of works on racial studies made among the negroes of the South, and the Poles, Hebrews and European immigrants. He adopts original and unstereotyped methods. "Get experience, not opinions", he says, "for human experiences are more valuable than statistics. Back of every opinion is an experience. These experiences may not justify opinions, but they explain them."

There will be some very eminent men on the executive. It is under the chairmanship of Dr. Wilbur, head of Leland Stanford University, and includes among its members Dr. Boggs, of the University of British Columbia, Professor Mackenzie of the University of Washington, Professor Sissons of Reed College, Portland, Dr. Bird, President of Occidental College, Los Angeles, and Mr. McCaughey, for fifteen years Superintendent of Education in the Hawaiian Islands.

This survey is going to be most important, and I would suggest to the Minister of Immigration and to the government that the government should take some part in it. So far as I am concerned experience as well as opinion has convinced me that we shall eventually have to come to exclusion; nothing short of that will do. I understand that in the United States also they are contemplating exclusion against the Japanese as well as against the Chinese. During the debate of last session the Prime Minister called attention to the fact that no country in the world had exclusion against the Japanese. If exclusion becomes law in the United States, will the Prime Minister of this country think it is time to have exclusion here? If we are going to have exclusion eventually, now is the time to commence, before this country is filled up with these orientals.

[Mr. McQuarrie.]

I would also submit, Mr. Speaker, with all due deference, that the gentleman's agreement which was negotiated by your worthy self in Japan a number of years ago has outlived its usefulness. It may have been the best arrangement that could have been made at that time, but I submit that the time has come when we in this country should control our own immigration without reference to any foreign country whether friendly or unfriendly. I submit that the gentleman's agreement should be immediately cancelled. Let us make our own immigration laws.

There is just one other matter I shall touch on. The Japanese treaty should be abrogated, for this reason, that it prevents us from passing provincial legislation as to the holding of land and other matters in connection with property and civil rights, and the result is that the most valuable land in British Columbia in the cities and in the country is being acquired by the orientals. My good friends who have been out there know that to be the case. They know that the oriental is taking firm hold and deep root in British Columbia. We must stop it. We cannot stop it by provincial legislation so long as that treaty exists, and I say that if we are going to keep this a white man's country, which it should be, if we are going to keep it for our children and our children's children, now is the time to take action.

On motion of Mr. Boys, the debate was adjourned.

On motion of Mr. Graham the House adjourned at 10.58 p.m.

Monday, March 17, 1924

The House met at three o'clock.

REPORT

Report of the Department of Soldiers' Civil Re-establishment for the year ended December 31, 1923.—Hon. Mr. Béland.

GRAND TRUNK GRATUITIES

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): As I promised the other day, I beg to lay on the Table of the House the evidence and the report of the Royal Commissioner in the matter of an inquiry into the circumstances re payments made by the Grand Trunk Railway Company to its officers, directors, and so forth.

HOME BANK INVESTIGATION

On the Orders of the Day:

Sir HENRY DRAYTON (West York): I desire first to congratulate my right hon. friend (Mr. Mackenzie King) upon the renewed evidence of health and upon his being back with us again. I would ask him whether he is laying on the Table to-day the amended order of reference in connection with the commission which is to investigate the Home Bank affairs.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I thank my hon. friend for his kind personal reference. I had anticipated that he might possibly ask the question he has and I therefore brought with me a copy of the order in council referred to, and which I will now place on the Table. I might read to the House the concluding paragraph of the order which refers to the extent to which the scope of the commission has been amended:

> 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 any 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.
>
> In view of additional representations which have been made to the government that at divers times while the said bank was in existence deposits were made and afterwards withdrawn by various depositors, under conditions which might require explanation, the Committee of the Privy Council further advise that the attention of the Commissioner be especially directed to this feature in the course of his investigation.

Sir HENRY DRAYTON: I would ask my right hon. friend whether this now represents the final attitude of the government, or whether the government is still open to receive suggestions. One of the chief complaints made in connection with this bank is that the bank ought never to have received a charter. That whole inquiry is shut off by this investigation. The inquiry, therefore, cannot serve a useful purpose, if we have regard to one of the chief essentials upon which the country ought to be advised, not only in connection with the position of the Home Bank, but as regards what proper safeguards ought to be taken in connection with the incorporation of such institutions. I hope this is not a final delivery.

Mr. MACKENZIE KING: This is the first time I have heard it suggested that the government should go beyond the period at which the bank was created to inquire into its affairs; but the government is always ready to receive suggestions and to consider them carefully.

ST. LAWRENCE WATERWAY

On the Orders of the Day:

Mr. ROBERT FORKE (Brandon): I also wish to extend my congratulations to the Prime Minister on his return. I think we are all glad to see him again. I wish to ask the government the following question: Whether it is a fact, as stated in the press, that the government has already appointed a national committee to study the St. Lawrence great waterway project. If so, will the government give the House information as to the personnel and terms of reference of the committee alleged to have been appointed?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I thank my hon. friend for his opening word. I am not less pleased to see him again. I also anticipated that the question which he has asked might be asked, and I have brought to the House the correspondence relating to the deep waterway project on the St. Lawrence. As hon. members of the House observed, the correspondence was given out at Washington on Friday night, but it was not given out at Ottawa. The explanation of that circumstance is to be found by reference to the concluding paragraph of the despatch which was sent from Ottawa to Washington and which reads:

> It is suggested, subject to the concurrence by telegraph of the United States government, that this correspondence be released on the night of Friday the 14th instant, for publication simultaneously here and at Washington on the morning of Saturday the 15th instant.

Unfortunately, no telegram was received at Ottawa from Washington until Saturday morning, and in the absence of a telegram, concurring in giving out the correspondence on Friday night, the officials of the government did not feel justified in giving out the correspondence on this side.

In regard to the question which my hon. friend has asked as to the national committee, I can perhaps best answer him by explaining in a word exactly what is said in the correspondence. We have agreed that the engineering board which originally investigated matters be enlarged in accordance with the recommendation which was made by the International Joint Commission that considered the matter. The original board had two members, one Canadian and one a citizen of the United States. We have agreed for purposes of further inquiry to the enlargement of the

board to six, three Canadians and three from the United States. The American government have agreed with us to this enlargement. In intimating to the American government that we were willing to enlarge the board in this way, we intimated that the government intended appointing a national committee to advise the government itself on various aspects of this important national question on which the government should be fully advised. When the Americans received our report, they intimated to us in reply that they also would appoint a national committee, and they suggested that our national committee and their national committee should meet together to decide what questions were to be referred to the enlarged joint engineering board. We intimated in our reply that to adopt that course would be to change the complexion of the national committee in a manner which would make it an international committee rather than a national committee; that we had intended our national committee to be distinctively for the purpose of advising our own government, not for other purposes, and we suggested, therefore, that for the present at least the American government should follow the suggestion which we originally made of appointing one or two representatives to confer with one or two representatives from our country to decide upon the questions that were to be referred to the enlarged joint engineering board. Our American friends have accepted that suggestion, and we are now awaiting the nomination of representatives from the government of the United States to meet with representatives of our government to decide on the questions that are to be referred to this enlarged joint engineering board. Two or three of those questions have already been set forth in the exchange of correspondence which has taken place. In addition, our government has appointed an inter-departmental committee composed of members of the Civil Service to accumulate information relating to this important project in its different bearings, to advise and inform the government on matters that they think are important for consideration, also if so desired, to advise the national committee when it is formed.

I notice in the press that the impression seems to have gone abroad that while the United States government has appointed a national committee of representative citizens, we have appointed only a committee composed of members of the Civil Service. Our national committee has not been appointed as yet. It will be appointed in due course, and will be for the purpose of advising the government on various aspects of this question of great national concern. The committee that has been referred to in the press as an advisory committee to the government, is the smaller departmental committee which I have already spoken of, and of which Colonel Biggar, the government counsel, has been appointed chairman. On that committee there is a representative from the Departments of Railways and Canals, Marine and Fisheries, Interior, Public Works, Trade and Commerce, and Finance. Those six officials will form a small inter-departmental committee to sift information that is already in the possession of the government and to take any suggestions that are likely to be of service and of help to the larger committee which will subsequently be appointed.

Mr. MACLEAN (York): Will the national committee have really more to say than the government in the report to be made by the joint committee?

Mr. MACKENZIE KING: The final say will rest with the government. The national committee will be advisory to the government.

Sir HENRY DRAYTON: Mr. Speaker, arising out of what my right hon. friend has just said, the final solution of the question will depend to a great extent upon the manner in which these different subjects are left to the engineering committee. Am I to understand that this national committee is to have the sole responsibility of settling the different questions for reference? I should have thought that as what is to be left for inquiry and the manner in which it is to be left, really goes to the meat of the whole question, it ought to be submitted to this House.

Mr. MACKENZIE KING: The government will appoint representatives to meet the representatives of the United States to decide what questions are to be referred to the enlarged engineering board. In that way the government will be able to control the subjects that are to be covered by the reference. It is contemplated that the enlarged joint engineering board may take a little time to do its work, and during the interval other questions may be referred to it as may seem advisable, either upon representations of the inter-departmental committee, or of the national committee, or which may come to the government from any hon. member of this House. The government will be prepared to accept full responsibility both for what may and what may not be submitted.

Sir HENRY DRAYTON: I wanted to find out whether the questions would be submitted to the House.

Mr. MACKENZIE KING: No action which will in any way finally bind the country will be taken without full reference to parliament.

RURAL CREDITS

On the Orders of the Day:

Mr. ALFRED SPEAKMAN (Red Deer): Has the government received a report from the commissioner or commissioners appointed last year to investigate the question of rural credits? If so, when may we expect this report to be laid upon the Table?

Hon. J. A. ROBB (Acting Minister of Finance): As soon as the report is received it will have the consideration of the government.

CIVIL SERVICE BONUS

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): In view of the report in the daily press that the bonus to the Civil Service will be discontinued, and inasmuch as this has caused a great deal of disturbance among the postal workers, I would ask the government if they have so decided; and, in that case, if we may expect an immediate revision of salaries in which the bonus will be taken into account?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The government's intentions with respect to the bonus will be made quite clear as soon as the estimates are presented to parliament. The estimates have been ready for the past week or so and will be placed on the Table just as soon as the debate on the Address is concluded.

Mr. McQUARRIE: I was going to ask a question on the same subject.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

Consideration of the motion of Mr. Kelly for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed amendment thereto of Mr. Sutherland, resumed from Friday, March 14.

Hon. HUGH GUTHRIE (South Wellington): Mr. Speaker, may I be permitted in the first place to associate myself with those congratulations which have proceeded from this side of the House to my right hon. friend the Prime Minister upon his return to this chamber in renewed health, strength and vigour, if we may judge from his appearance to-day? Let me assure him that during his absence, under the genial leadership of the Acting Prime Minister (Mr. Graham), we have conducted ourselves, I think, with due diligence and with due dignity. I doubt if a better choice could have been made for Acting Prime Minister than the Minister of Railways and Canals. His genial disposition, his uniform good nature, coupled with his long parliamentary experience, made him an ideal Acting Prime Minister, and if we have conducted our proceedings aright, great credit is no doubt due to him for it.

I regret very much the absence from the chamber this afternoon of my hon. friend the Minister of Justice (Mr. Lapointe). I believe he is unavoidably away from the city. I heard him in the address which he delivered in this House on Friday afternoon with the greatest of interest, and I had intended to-day to enter upon a reply to some of the questions which he brought to our attention on that occasion. However, I shall have to proceed in his absence, as I am sure he, of all men, will not charge me with any lack of courtesy in so doing.

What was most noticeable in the speech of my hon. friend the Minister of Justice was not what he said, but rather what he omitted to say. We all enjoy his good humour, his jocular manner, his clever epigrams, but after all I do not think anyone would say that his speech could be called a serious pronouncement by a serious minister upon a serious subject. It was extremely witty, in parts it was brilliant, but the most outstanding feature was its careful avoidance of any discussion of the question which has occupied the attention of the House during the last two weeks and of the business interests of the whole Dominion. A most courteous invitation was certainly extended to him by my hon. friend from Vancouver Centre (Mr. Stevens) a few days ago—if not to him, to some minister of the Crown—to state for the benefit of the House and for the information of the country what was the government's intention, what was its real meaning in portions of the language which it adopted in the Speech delivered from the Throne at the opening of this session. It has been said from this side of the House that the Speech from the Throne, on the whole, might be described as an election manifesto, and I do not think this criticism is altogether unreasonable. I do not propose for one moment to discuss the fulsome flattery of itself which the government has seen fit to include in the Speech from the Throne; if it pleases them, let them have the benefit. But the outstanding paragraph in the Speech from the Throne is one which, I

.nink, might be fairly described as ambiguous had the Prime Minister himself not undertaken to remove the ambiguity and to elucidate the paragraph in question. It was assumed from the outset by the official opposition, and I think, likewise in the Progressive ranks, that the language employed in a certain paragraph in the Speech from the Throne was a direct reference to the government's intention with regard to the customs tariff. I am going to quote the exact language, though it has been quoted on several occasions in the House:

> In the opinion of the government, such reduction of taxation as it may be possible to effect should aim primarily at reducing the cost of the instruments of production in the industries based on the natural resources of the Dominion, thereby aiding materially in the development of our natural resources, and through cheapened production, effecting a diminution also in the cost of living.

Now, that clause as it stands, unexplained, might well refer to a reduction of some direct taxation other than the tax imposed indirectly by the customs tariff. But it has been assumed from the beginning of this debate by this side of the House that the reference in question was to a removal of customs taxation, and my right hon. friend the Prime Minister (Mr. Mackenzie King) who spoke in reply to my right hon. leader (Mr. Meighen) on the opening day of this debate, made it abundantly clear, by the justification which he offered for the presence of that clause in the Speech from the Throne, that the intention of the government was to make a reduction of taxation under the customs tariff in regard to the instruments of production.

This is how the matter came up: My right hon. friend the Prime Minister, speaking of the Speech of my right hon. leader, said,—page 31 of Hansard:

> The impression he tried to convey to the House was that the Speech from the Throne was not the place to mention the tariff.

And then the Prime Minister proceeds to justify the mention of tariff action in the Speech from the Throne, and cites an instance which occurred in 1921, and another in 1897, where an intimation was given in the Speech from the Throne that tariff revision would take place during the ensuing session. There is no doubt, therefore, as to what was in the Prime Minister's mind; there is no doubt what was in the government's mind when this paragraph was inserted in the Speech from the Throne. The Prime Minister goes on and makes it doubly clear when he says again at page 31, in regard to the Speech from the Throne presented to this House in 1897;

> That is the wording of the Speech from the Throne by a Liberal administration in 1897. That promise in the Speech from the Throne was implemented. . . and the promise made to-day by His Excellency will be implemented.

I think the Prime Minister has made it abundantly clear that the disputed paragraph in the Speech from the Throne is a direct intimation of a reduction in customs taxation, and also that the intimation there given is going to be implemented by legislation during the present session.

I agree with those who take the view that it is not proper to mention any question of tariff reduction or tariff increase in the Speech from the Throne. I have been a member of the House for a good many years and I cannot recall a single instance in which this has been done. I can see very very grave reasons indeed why it should not be done; I can see no reason why it should be done. During the first session in which I had the honour to sit in this House, a constituent of mine requested me to ascertain if the government contemplated any change in the duty on books, as he expected an importation from the United States. In my innocence I approached the veteran Finance Minister of the Liberal party (Mr. Fielding), who was Finance Minister also at that time, and made the inquiry of him. Why, his very look was most staggering, and I remember well his language; he said: "Guthrie, I would consider myself everlastingly disgraced if I gave anyone any intimation as to the government's action in regard to the tariff before the budget was brought down." That was the principle he maintained throughout his long career, and I am inclined to believe that had he been able to occupy his place in the House at the opening of the present session, had he been able to deliberate with his colleagues in the preparation of the Speech from the Throne, no mention of contemplated reduction in the tariff would have been made. What is the effect of this announcement by the government? Merely to cause hesitation and uncertainty in all business operations which may possibly be affected by tariff changes; merely to cause a halt, to cause delay; to stop contracts; to create uncertainty in the business world. What would be the effect in a moment if the government stated in the Speech from the Throne that during the present session they would increase the tax on sugar? What would happen? Think of the speculation which would take place immediately in sugar. So it is with agricultural implements: the announcement that a reduction is going to be made has caused great business disarrangement in this country. Farmers will not order, jobbers will not order, manufacturers are fearful of going ahead;

they want to know what is going to happen before they enter upon any new engagements.

To my mind, the statement contained in the Speech from the Throne in this regard is a very grave impropriety. I do not believe that under normal circumstances the Prime Minister would have committed the error or have it allowed to be committed. But I believe there was a direct and positive reason why the statement was made at this particular time in the Speech from the Throne. This government is known as a minority government; it has not a majority of the members of the House in support of it—not openly, at all events. The government had to give some positive assurance which would enable them to secure support from the Progressives in the House from the opening day of parliament; the government could not wait for the budget. Many important questions usually arise in this House early in the session which are voted upon before the budget is brought down, and in order to feel secure from the very opening day the government deliberately placed this improper statement of fiscal policy in the Speech from the Throne—in other words, in order to secure for themselves a certain measure of Progressive support. I will say this on behalf of the government, that while its action looks to me like a very grave impropriety, it is fairly good political engineering. The government was out on a fishing expedition; it was out fishing for Progressive votes, and it determined to bait its hook with Progressive bait, and it thought the most alluring bait would be an announcement of a reduction of the customs tariff on the instruments of production. The government was wise in its preparation and in its arrangements. It had merely to cast its bait upon the water and it immediately landed the leader of the Progressive party.

Mr. FORKE: A pretty good fish.

Mr. GUTHRIE: And now I think the Prime Minister can congratulate himself that he has at the present time almost the whole Progressive party in his basket. That was the purpose of putting this tariff statement in the Speech from the Throne. I do not know that my illustration of fishing for Progressive votes is perhaps as apt as the illustration given by my right hon. leader in his opening speech of this session, where he referred to the philosophy of Samuel Butler as expressed in that simple couplet which he placed on Hansard, that—

> Round white stones will serve, they say,
> As well as eggs to make hens lay.

Such was the homely philosophy of a very ancient rhymer and philosopher who lived in the days of the Stuart Kings in England. The philosophy is pretty sound to-day. Carrying the inquiry just a little further I wonder which particular member of the government devised this wonderful scheme of the nest egg. Thinking it over last night coming down on the train I thought that probably this scheme had its origin in the fertile mind of our good friend the Minister of Agriculture (Mr. Motherwell). He is such a joker and he knows something about egg-laying and egg-laying contests. Whoever devised the scheme should be rewarded; it was a good scheme for the purpose. The government took a round white stone as a nest egg, and artfully placed it in the Speech from the Throne with a deliberate purpose, and hardly had the nest egg sentence fallen from the lips of His Excellency the Governor General than the leader of the Progressive party at once began to lay and to cackle. I reside in what may be called one of the more or less rural districts of the province of Ontario, and I know that at this particular season of the year many of the newspaper editors in my part of the country, particularly the weekly newspaper editors, are deluged with callers who produce a big egg. There will be John Smith who brings to the newspaper office a large egg from his Plymouth Rock stock; John Jones brings an egg from his Brahmas, and John Brown brings an egg that one of his Minorcas has laid, and so on. But the country editors in my part of the country and in the province of Ontario generally this spring have all become back numbers. The Winnipeg Free Press has them all "licked a mile" because the leader of the Progressive party on the first day of the session brought into the Free Press office a great white round, meaty egg saying, "Look at the egg that the Progressives have laid for the government on this occasion." I think the government may congratulate itself upon the result of the little device which it adopted to catch the unwary.

Mr. FORKE: I would like to suggest to the hon. member that a round white stone is better than a rotten egg anyway.

Mr. GUTHRIE: I am in perfect agreement with my hon. friend that a round white stone is better than a rotten egg, and I do not know anyone in the House who would think otherwise. However, this I am going to say to my hon. friend the leader of the Progressive party: Now that he and his party have started to lay and to cackle at the bidding of the present government, why

not go a step further? I have been told, and I am sure it is true, that the Progressive group in this House is made up of members of what we call the two traditional political parties in the Dominion of Canada. Formerly they were all either Liberals or Conservatives. They were elected to this House under the name of Progressives, but I have been informed that as we sit here to-day, of the Progressive group probably ninety per cent would have formerly lined up as Grits thoroughly dyed in the wool. One man remarked that you had only to scratch the skin of a Progressive and out would come the virus of the Grit. Well, why do they not come out in the open? Why do they not do as two of their number did last session, cross the floor of the House and openly support the government? Why not go across the floor and lay and cackle and roost in the old Grit henhouse instead of trying to keep up the illusion any longer? What interests me is to know what that large body of Conservative voters who voted for these hon. gentlemen at the last election will think of it. I know how it was in my own riding. In several townships practically every Conservative and every Grit voted for the Progressive candidate. They thought that they were voting for a man who had grown sick and tired of the two old political parties, and that the Progressives were launching out on a new movement for themselves. They desired to elect a man who had some class consciousness as a farmer, and they voted almost solidly for the Progressive candidate. They came so near to defeating me that I did not know the actual result for a while, but I managed to get in by a somewhat narrow majority. I wonder what the tens of thousands of Conservative farmers throughout the Dominion of Canada think, who voted at the last election for the Progressive party when they see them practically pledging their support to their old Grit friends—and before very long I predict that you will see them going over bodily to their old party allegiance.

Passing for a moment from that branch of the subject, I would like to touch upon one or two of the more outstanding remarks of my friend the Minister of Justice (Mr. Lapointe). His first criticism was directed against my right hon. friend and leader for what he called his pessimistic view of the country's situation and his lack of anything in the nature of a constructive suggestion or of constructive leadership. It is not the part of the leader of the opposition to formulate the policies of the country. Such is the work of the government. A great leader in this House, the late Sir Wilfrid Laurier, said upon one occasion in this House that the first duty of an opposition was to oppose, to scan narrowly and to criticize. It is the prime duty of the government to bring forward to the House constructive legislation. Does the criticism come well from the lips of my hon. friend the Minister of Justice when he says that the leader of the opposition has failed to propose constructive legislation? Has he to do more than glance over the record of his own party during the last two and a half years to realize the utter lack of anything in the nature of constructive legislation which has been brought to the attention of parliament by this government? Do you think, Mr. Speaker, that the wheat board fiasco, that legislation of two years ago could be considered as a piece of real constructive legislation? Would the Minister of Justice, the first law officer of the Crown in this country, commend that legislation as a fair sample of the constructive work of this government? Would he be inclined to boast of the legislation of last session in regard to the regulation of lake freights? Is he proud of the grotesque situation which arose last autumn when the people of this country were actually humiliated by this government telling foreign ship owners that they could violate the laws of Canada? Is that constructive legislation of which the Minister of Justice would be inclined to boast? Has there been any constructive legislation, think you, in connection with the Labour department of this government? It is a strange commentary to make on the administration of that department, that upon three separate occasions in two short years this government has had to call out the military forces of this country to overawe labour men down in the Maritime provinces. Does that constitute constructive legislation, I would, Mr. Speaker, like to ask the Minister of Justice?

What constructiveness has the government displayed in regard to the movement of population from this country to the United States? Has it suggested anything, has it devised any means to stop it? Has it originated any scheme which it is submitting to parliament to try to remedy that evil? It is an evil, and more than an evil, and it is a most melancholy thing to contemplate, but perhaps the most melancholy thing presented to us is to be found in the trade reports furnished by this government when, in order to magnify the figures of the total

export trade of this country, it includes in its statement of exports $9,699,000 worth of settlers effects, the goods and chattels of people who are actually leaving the country. Does not that statement in the export returns of the country tell its own story? "Oh," but you say "there are the imports of effects of settlers who have come in." Yes, but for just one-half the amount, $4,640,000. I am taking these figures from the January statement published on the authority of the Minister of Trade and Commerce. Exports of the effects of settlers going to the United States in the same period, $9,699,000. These figures furnish a sorry tale. What constructive legislation does the government propose in regard to that matter? Is the exodus from this country one of the monuments to its skill, is it one of the monuments to its constructive activity, is it something to boast of? No, Mr. Speaker, rather to be ashamed of, I would say.

I only mention these matters as a few instances of the government's misdirected activities. But the one, I think, of which the Minister of Justice was most proud, the one he was inclined the most stoutly to defend, was what we knew, or what we once knew, in this chamber, as the Halibut treaty. Now, no one knows so well as does the Minister of Justice that to-day there is no Halibut treaty in existence. There was a proposal for a treaty at one time. A proposal is one thing, and a treaty is another thing. That proposal has not been ratified by the Senate of the United States, and until it is ratified by that body it does not become a treaty. It is true that the Minister of Justice, speaking on Friday afternoon, said he had reason to believe that at some time in the near future the Senate of the United States would ratify the treaty; but how my hon. friend can view it as a government achievement, can refer to it as a piece of constructive legislation, can boast of it, passes my comprehension or the compehension of anyone who understands the real situation in regards to the Halibut proposal. There is no such thing as a Halibut treaty in existence to-day. There is merely a proposal now before the Senate of the United States in that respect.

Mr. MARTELL: That is special pleading.

Mr. GUTHRIE: When you bring back a treaty on this question from Washington, then perhaps, I may ask to have my special pleading removed from the record.

There is another statement I wish to allude to. It is a statement contained in the speech of the Prime Minister, to be found on page 35 of Hansard. The Prime Minister was criticizing the speech of the leader of the opposition and he used this language:

> In the course of his speech he touched on some matters that appear in the Speech from the Throne, but he ignored other very important matters. He said nothing of what this government has done to reduce the public debt, to lessen taxation, and to effect economies in the public service—of these things my right hon. friend never said a word.

I was a good deal put about when I heard that language used in this chamber, and I did not know whether to feel guilty myself or not. I had during the parliamentary recess on one or two occasions made speeches, and in those speeches I had deliberately stated that this government had increased the net debt of Canada, and also had increased the direct taxation. Consequently I was considerably nonplussed when I heard this statement of the Prime Minister on the opening day of the debate, and the following day I went down to the Finance department to find out just where the mistake arose. I got the figures from the Deputy Minister of Finance, and I found that I was not very much astray in my statement, but that the suggestion of the Prime Minister—because that is all I can call it, it was not a positive statement—was entirely wrong, and that my figures were absolutely right. The figures which were given to me by the Deputy Minister of Finance were as follows: On the 29th February, 1924, —that is a few days ago—the total net debt of Canada was $2,410,162,174.71. I then turned to the public accounts of this country to know what the net debt of Canada was when the late government gave up office in December, 1921, and at page 48 I found the net debt at the end of the fiscal year 1921 was $2,340,878,-983.69. Thus, by a simple process of subtraction one finds whether or not this government has increased the net debt. If reliance can be placed upon the official figures which I have obtained from the department the difference is $69,000,000 of a net increase in round numbers.

Mr. BELAND: Did my hon. friend give the figures for the net debt at the end of the fiscal year 1921-22 as over two billions?

Mr. GUTHRIE: The figures are $2,340,-878,983.

Mr. BELAND: Are you quite sure of your figures?

Mr. GUTHRIE: I am only taking them from page 48 of the Public Accounts laid on the Table by the Minister of Finance (Hon. Mr. Fielding) in the year 1922.

Mr. BELAND: I have secured some figures from the Finance department which show the net debt on March 31, 1922, was $2,422,000,000.

Mr. GUTHRIE: I am giving it at the end of the fiscal year: At the end of the fiscal year, 1922, the amount was $2,422,135,801.

Mr. BELAND: That is the debt for which the previous government is responsible.

Mr. GUTHRIE: For nine months of that year I think we were responsible, and for three months we were not responsible, and this computation does not take into account at all a sum, which I believe is $8,000,000, which has recently come to this country, and which really should have gone to the credit of the former government. It has been paid recently, but paid by the British government as a settlement of a disputed item of exchange. It should have gone to the credit of the former government, though the payment was delayed, and this government is now taking credit for that amount.

Then, turning to the question of the taxation of the country, my hon. friend the Minister of Justice (Mr. Lapointe) dealt with that question rather fully the other night, and he laboured to show that, in regard to taxation, Canada was really the most leniently taxed country in the whole British Empire. I think, however, that my hon. friend's figures in regard to taxation were somewhat misleading. In giving the figures for Great Britain and New Zealand, I think he gave the figures which represent the total per capita taxation of these countries. Then when he came to Australia and Canada he gave only the per capita taxation based upon Dominion taxes. In other words, so far as the Dominion of Canada was concerned the figures given by the hon. Minister of Justice on Friday night represented Dominion taxes only.

But we all know that in this country we have, in addition to Dominion taxes, provincial taxes, in some instances very heavy, and likewise municipal taxes, in many instances very heavy. I do not know that anyone can supply the exact figures pertaining to Canada at the present time, but it must be pretty generally understood that taxation per capita of a citizen of this Dominion who resides in the province of Ontario is well over the hundred-dollar mark, whereas in the figures given by my hon. friend the Minister of Justice on Friday night he stated that taxation for the Dominion of Canada to be $36.67. I am sure, from the figure given that he has included Dominion taxation only. But what is the point in his remarks? He was criticizing my hon. friend the leader of the opposition (Mr. Meighen) because he had stated that the taxation in the Dominion of Canada under the late government was low. What has this government done to change it? Have there been any decreases in taxation during the last three years that anyone can point out? I am referring to direct taxation. We know of several increases in direct taxation, such as the increase in the sales tax, the increase in the cheque tax, and the adoption of a receipt tax. These are all increases. What can the government point to, or what could the Minister of Justice point to if he were here, in the way of decreases? And the good showing he was able to make in the figures he submitted to the House on Friday afternoon last was entirely to the credit of the preceding government. Any action in the matter by the present government has been to increase, and in no case has it been to decrease, the amount of direct taxation per capita upon the citizens of the Dominion.

4 p.m.

There is another point which I would like to take up with the Minister of Justice, if he were here, upon which we cannot agree. I have tried to verify my figures—and I hope his figures will stand a similar examination—but there is a great discrepancy between us. I refer to his statement in regard to commercial failures in Canada. The Minister of Justice said that mercantile failures in Canada had decreased fifty per cent last year. He did not give any figures. I had before me statistical returns as sent out by Dun and Company, a recognized commercial agency in this country, whose reports are generally accepted as reliable. What do they show? I will take the whole period during which the late administration held power, the years 1918, 1919, 1920 and 1921. In that period Dun and Company report a total of 5,157 mercantile failures, for liabilities involving $110,000,000. Then I take the two years during which this government has held office, 1922 and 1923, and I find the total failures 6,942 and the total liabilities $129,000,000. Still, my hon. friend the Minister of Justice stated that this year showed a decrease of fifty per cent over last year. It may be that he was misled by Dun and Company's report. If he takes eleven months of last year—in the latest chart the month December 1923, is not included—he would find the total liabilities were fifty per cent less than the total liabilities of 1922, but he will not find it if he takes the whole year and if he takes the total number of failures from Dun and Company he will find the figures which I have just now included in my remarks.

Another matter I wish to refer to is the question of the building of ships at Victoria during the year 1919. A rather severe attack was launched by the Minister of Justice in his speech on Friday against his predecessors in power in regard to the expenditure of money on the Pacific coast in the year 1919 or the year 1920. By his remarks he left a very clear inference on the minds of hon. members in this House that this expenditure was authorized and proceeded with for the purpose of assisting in a by-election then pending in that province. Now, the by-election was that of our good friend the hon. member for Victoria City (Mr. Tolmie), who joined the government of Sir Robert Borden in September 1919. The by-election took place in that month. But the shipbuilding contract was not launched until December, 1919. It could have no reference to the by-election. It had no reference to the by-election. Why was it done? The year 1919 was a very difficult year in this country for any government. The armistice took place in November, 1918, and within twelve months of the armistice we had brought back to this country probably 400,000 soldiers who had been performing their duties as soldiers of the Empire for one, two, three, or in some cases, four years. The question of unemployment was a very serious one; it was one with which the government had to grapple, and the government deliberately set about grappling with that question. In some cases, we paid out money by way of doles. In some cases, we provided work. Great expenditures were undertaken solely for the purpose of giving employment, particularly to returned soldiers. A great many soldiers, on their return to Canada, went straight to British Columbia. British Columbia, after the war, received more soldiers than she had contributed to the war, and labour conditions in the city of Victoria in December, 1919, were rather serious. The question was: Should the government pay out doles to the unemployed, particularly to the soldiers, or should it furnish them with work? The question at once arose: What work could be given them? It was decided that it would be better to build ships to provide necessary labour than to take any other course. The soldiers themselves approved that course; they wanted work, not doles. It was decided, therefore, to build at Victoria four wooden ships. Wooden ships were decided upon after some disagreement, and after much consultation. The Minister of Justice, (Mr. Lapointe) on Friday afternoon read a letter from the Hon. C. C. Ballantyne, at that time Minister of Marine and Fisheries in the former government. In that letter, Mr. Ballantyne stated very plainly that he was opposed to the construction of wooden ships; that he had opposed this method of construction from the beginning. That is true. That letter was written in March or April, 1920, following the order given in the preceding December; but I am not transgressing any rule nor making public any secret when I say that Mr. Ballantyne was always opposed to a programme of building wooden ships; he advocated steel ships. The difficulty was this as regards building steel ships at Victoria, that a very large part of the work would have to be performed either in Nova Scotia or in the United States. The unemployment was at Victoria. Wooden ships would require labour right from the forest where the trees stood until the ships were finally completed. I know it was said by some that the days of wooden ships were over; I know it was argued that wooden ships would never again pay; but we had a very strong opinion from the veteran Finance Minister of the Liberal party (Mr. Fielding) upon that question, which is to be found at pages 350-351 of Hansard of 1918, when a discussion took place in regard to steel and wooden ships. In that speech the Minister of Finance said:

> There has been in the past, and I believe there will be in the future, quite a demand for wooden ships of the smaller class. I believe the conditions that will exist at the close of the war, and for some years after the war, will be such that there will be large opportunity for the wooden shipbuilders of the country to engage in their enterprise. So that I feel that, in giving the preference to steel ship building as the hon. minister is doing, there is no danger of any injustice being done to the wooden shipbuilding industry. I believe that industry will flourish for some years to come without any particular aid from the government.

That was an opinion expressed when the matter was under discussion in parliament, but that opinion was backed by assurances of various men both in and out of the cabinet which then existed. An agreement was finally come to with a shipbuilding company at Victoria for the construction of four wooden ships, in the construction of which certain classes of returned soldier labour were to be employed. Unfortunately the government made a contract with a company which subsequently got into financial difficulties. The government agreed to advance $175,000 per ship and the company was to finance the balance, the government taking a mortgage on the ships for the amount. The company went into liquidation; it was wound up in the courts of British Columbia. The government was left with its contract not a quarter completed, with material unpaid, unpaid labour

bills, and unpaid board bills for some of the soldiers who had not received their wages. The government was compelled to take over the plant and ships, and took also the loss which the minister stated to the House on Friday afternoon. Were we right or were we wrong? Was it better to employ that labour or to pay the money out in doles? One or other course had to be taken. We employed the labour; we made a loss; but saved the unemployment situation as it existed at the time at Victoria, and I doubt very much if we would have got out of it any more cheaply had we decided upon the payment of doles rather than the employment of men.

But just now, when I speak of returned soldiers, when the Minister of Soldier Civil Re-establisment (Mr. Beland) is in his place, there is one thing that appears to me to be so glaring and shocking in regard to the expenditures of this government which claims to be such an economical government, that I would like to bring it directly to the attention of the minister and the House. I have been handed a statement of the expenditures of the Department of Soldiers' Civil Re-establishment for the year ended March 31, 1923. It is compiled from the report of that year placed upon the Table by the minister a few days ago and from the Auditor General's report placed on the Table a few days ago. The minister will, I trust, give it his attention and further when the time comes, when his estimates are before the House, I hope he can show that in some respects this statement is inaccurate. I doubt, however, if he can, as I am assured that it has been very carefully prepared. What does it show? It shows that last year the department expended $13,375,134.89. No one would object to that expenditure for returned soldiers, for wounded soldiers, for crippled soldiers, or for their dependents; but when you find that of that total expenditure $6,000,649.30 went to pay official salaries and only $3,065,230.72 went for the maintenance of all the hospitals and $4,309,254.87 for all the pay and allowances to soldiers and their dependents, what do these figures mean when they are divided up?

Mr. BELAND: Has my hon. friend the figures for the preceding year?

Mr. GUTHRIE: Yes.

Mr BELAND: Will he give them to the House?

Mr. GUTHRIE: I will. What do these figures show? They show that last year, in official salaries, it took over $6,000,000 to supervise the expenditure of $7,000,000, of which the soldiers received in pay $4,000,000 odd and the cost of all the institutions was $3,000,000 odd. The percentages of expenditure are as follows:

	Per cent
For official salaries..	44.87
For administrative charges, maintenance of hospitals, etc..	22.92
Payment to soldiers and their dependents..	32.21

My hon. friend has asked me to give the figures for the preceding year. I have them. I have the figures also for 1920 and 1921 if they are desired. During the year 1922 there was a total expenditure of $17,818,646.70. Of this amount salaries of officials took $6.921,432.62, or 38.84 per cent of the total.

Mr. BELAND: I know the hon. gentleman wants to be fair. Does he take into consideration the fact that in the year he is now quoting eight hundred officials were paid by the Board of Pension Commissioners, and therefore their salaries are not included in the figures he gives as being the salaries of the officials of that year? Moreover, when my hon. friend says that that amount is paid in salaries and does not go towards the support of hospitals, he is saying, unwittingly I think, something which is not accurate. Salaries include the salaries of all physicians in the hospitals.

Mr. GUTHRIE: I understood that. As it is detailed—

Mr. BELAND: Does not my hon. friend think doctors may be considered officials?

Mr. GUTHRIE: Yes. "Official salaries," it is called here.

Mr. BELAND: Yes, no "s" after the "l."

Mr. GUTHRIE: Then under the other heading we have "Administrative charges (other than salaries) maintenance, hospitals, supplies, etc." So salaries are not included under the heading of administrative charges. Administration charges for the year 1922 are given in the statement at $3,957,045.26, payment to soldiers and their dependents, also relief, $6,940,168.82, or a total of $17,818,646.70. What are the percentages of salaries? For 1922, the percentage was 38.84, for 1923, it was 44.87 of the total amount. The administrative charges for 1922 represented a percentage of 22.27, for 1923 it was 22.92—almost the same. The percentage of payments to soldiers in 1922 stood at 38.89, for 1923 it fell to 32.21.

I should like to have these figures placed on Hanasard as they appear in this statement in order that the minister may have an op-

portunity of looking into them, and if any corrections should be made, I shall be very glad if he will let me know what they are. I may say that the statement has been prepared from the report of his department and from the Auditor General's report laid on the table. I am told that the percentages for this year ending 31 March next, will be far less in regard to the amount payable to soldiers and their dependents and for maintenance of hospitals, but that for the payment of officials the percentage will be far greater for the year ending on the 31st day of the present month, but for this year I have no satisfactory information. I will now read the figures of which I have spoken:

COMPARATIVE STATEMENT OF EXPENDITURE, DEPARTMENT OF SOLDIERS' CIVIL RE-ESTABLISHMENT

Fiscal Year Ending March 31, 1920/21/22/23

Summary	1920	1921	1922	1923
	$ cts.	$ cts.	$ cts.	$ cts.
Salaries	9,660,283 85	10,673,473 64	6,921,432 62	6,000,649 30
Administrative Charges (other than Salaries), Maintenance, Hospital Supplies, Transportation, Contingencies, etc	10,930,639 24	9,074,345 02	3,957,045 26	3,065,230 72
Payments to Soldiers and their Dependents, also Relief	26,607,795 10	16,524,397 51	6,940,168 82	4,309,254 87
	47,198,718 19	36,272,216 17	17,818,646 70	13,375,134 89

COMPARATIVE STATEMENT OF ABOVE EXPENDITURE ON PERCENTAGE BASIS

——	1920	1921	1922	1923
	p.c.	p.c.	p.c.	p.c.
Salaries	20·47	29·43	38·84	44·87
Administrative Charges, etc	23·15	25·02	22·27	22·92
Payments to Soldiers	56·38	45·55	38·89	32·21
	100	100	100	100

In the absence of the hon. Minister of Justice (Mr. Lapointe) I shall omit some questions which I would have dealt with had he been in his seat.

Now I turn again to the particular clause in the Address which has caused by far the major part of the discussion upon His Excellency's Speech both in parliament and in the country. The government's action in regard to the tariff in the session of 1922, and again in the session of 1923, has been aptly described by my hon. friend from North Waterloo (Mr. Euler) and concurred in by my hon. friend from Brantford (Mr. Raymond) as a policy of nibbling. I think the word correctly describes the government's policy—if policy it can be called—in respect to the customs tariff. In the session of 1922 the government nibbled at the agricultural schedules; they reduced certain lines of agricultural machinery by 2½ per cent on the one hand, and on the other hand they increased the sales tax by 2 per cent. They did practically nothing but nibble that year. I know it was argued in this House by government supporters that a reduction of 2½ per cent on agricultural implements would not injure the manufacturer. This was stated time and time again; however, we must judge of these things by actual results. What has been the result? No sooner had the act been passed authorizing the reduction of 2½ per cent than the manufacturers of the United States began taking advantage of it by increasing their shipments into Canada. The figures pertaining to importation of agricultural implements from United States, rose and rose rapidly. They rose from $7,985,320 to a total last year of $11,701,106 according to the trade return which has been prepared by the

Department of Trade and Commerce. In a single year the imports of agricultural implements from United States increased by $3,716,000 as a result of a 2½ per cent cut in the Canadian tariff.

Did anyone in Canada receive any benefit from the reduction? Did the farmers of the East or of the West receive one particle of benefit from that reduction? The opposition pointed out to them at the time that they would not be benefited. Do they now believe they did receive benefit? If so, in what respect, may I ask? Did the producers of Canada get any benefit? Certainly not? Did the workingmen of Canada get any benefit? Certainly not. I think the House will be of one opinion upon these questions and will answer No to all of them. Well then, upon whom was any benefit conferred by this tariff reduction? It was conferred solely and only upon the United States manufacturer and the United States workmen; and upon no one else. It is known by everybody that almost the lowest schedule in our customs tariff is that pertaining to agricultural implements; 10 per cent, 12½ per cent up to 15 per cent on plows I believe is the range of duties in the agricultural schedule. To take it away would, in my humble judgment—and my opinion is not based on my own information, but on information that has been given me by men who ought to know—blot that industry out as a Canadian industry; it could not exist. What would be the result if you blotted it out? Men idle, certainly, many thousands of them. What are they going to do. Migrate to the United States, I suppose. Canadian factories closed, Canadian capital lost. Who is going to benefit? Did any Canadians benefit by the 2½ per cent reduction? They did not. Farmers, mechanics and manufacturers were all losers by this instance of tariff nibbling. Prices of implements to the consumer were not reduced; in fact they were increased. Upon this point I can only give the information received from the West by the Prime Minister last year and placed by him, on Hansard, in the shape of an advertisement from a western paper, which says:

> We are still in business carrying a full line of International Harvester Agricultural Implements, but regret at this time to have to inform the public that prices on agricultural implements have been slightly advanced since last season, for which we are not responsible.
>
> Advances on some of the more important lines are as follows:
>
> | | |
> |---|---|
> | Binders | $ 8 00 |
> | Seeders | 12 00 |
> | Mower and Rake | 3 50 |
> | Gang Plow | 6 00 |
> | Cultivator | 7 50 |
>
> and other smaller lines about the same proportion.

This advance has been made notwithstanding the fact that we have a Liberal government at Ottawa, with sixty-five Progressives on the job and a Canadian Council of Agriculture in the background, all supposedly working overtime in the interests of agriculture.

Mr. FORKE: May I ask what paper that was published in—the Yorkton Enterprise?

Mr. GUTHRIE: It is a paper published in Saskatchewan; I have not the name of it.

Mr. FORKE: I know all about it.

Mr. GUTHRIE: I am told by men engaged in the business that there was an average increase in the prices of agricultural implements to the extent of ten, twelve or fifteen per cent over and above the price that prevailed when the tariff reduction was made. That, they tell me, is the condition of the market to-day. If that was the effect of a two and a half per cent reduction, suppose the government to-day take off another two and a half per cent; suppose they continue their nibbling policy rather than place agricultural implements on the free list, does any hon. gentleman think that any farmer in Canada is going to benefit by it? No; it will react again just as it reacted in 1922. I do not believe for a moment that the government will seriously reduce the duties on agricultural implements. I agree with others who have spoken on this subject, notably the hon. member for North Waterloo (Mr. Euler) and the hon member for Brantford (Mr. Raymond), that these industries cannot stand any further reductions. The statement made in the Speech from the Throne was, to say the least, ill-advised and ill-considered, and it will not be acted upon. That is my prediction, notwithstanding the forcible statement which was made by the leader of the government on the opening of this debate. "Oh," my hon. friend the Minister of Justice said on Friday afternoon, "look at the increase which has taken place in the export of agricultural implements from Canada to France; it has amounted to 100 per cent." Well, it has increased by $634,586. The loss to Canadian industries, in imports from the United States by the reduction of 2½ per cent was $3,716,000 Taking credit for our increased exports to France, we still find that the trade of the country has been injured in the joint operation by $3,082,000.

Strong as is the case in regard to agricultural implements, it is, if anything, even stronger in regard to woollens. The riding which I have the honour to represent in this House does not manufacture agricultural

implements in such large quantities as they are produced in Hamilton, Kitchener and Toronto and other places. We have some four or five of the smaller class of manufacturers of agricultural implements, but the aggregate employment is very considerable. We are likewise greatly interested in the woollens, in worsteds, in knitted goods, in carpets and the like. The woollen industry is probably brought even more closely to our notice than the agricultural industry, and when the government last session undertook to increase the British preference on woollen goods it dealt a most serious blow to the woollen industry of Canada, not only as to tweeds and worsteds but likewise to all classes of knitted goods. No sooner had the announcement been made by the government of an increase of the British preference upon woollen goods imported into Canada than the British manufacturer took advantage of the situation. He was aided to some extent, I believe, by the condition of exchange, but the increased preference and the exchange condition added together have had the direct effect of closing up some of the larger Canadian woollen manufacturing establishments. Will the House listen for a moment to some of the figures in regard to recent woollen importations—they may be on Hansard now; I am not sure. Consider the importations of British tweeds and worsteds into a country like Canada, with a population of eight and a half million people: last year, covering twelve months, 28,885,500 square yards were imported from Great Britain, an average of 3.39 square yards for every man, woman and child in the country. The United States, with a population of 117,000,000, imported only 17,364,300 square yards, an average of .14 square yards for each man, woman and child in that country. As these figures come from the Toronto Globe of 11th February, 1924, they will probably be accepted as accurate upon the government side of the House. But the outstanding fact is that in this country with our small population we import British tweeds and worsteds in excess of the total imports of the United States to the extent of 11,521,200 yards in a single year. Take the case of knitted goods. Probably every village or small town of Ontario has, or used to have, its knitting factory, for the making of woollen gloves, stockings and the like, but the moment the increased preference was announced last session, in came knitted goods from Great Britain in enormous quantities. In 1921 we brought in 2,813,866 pairs of woollen hose, the value of which was $1,201,793. In 1922 the figure jumped to 6,594,324 pairs, at a value of $2,496,458, and in 1923 it jumped again to 8,101,572 pairs, valued at $2,951,372. The point is this: Almost all of these manufactures, whether in tweeds, in worsteds, or in knitted goods, could be produced in this country. Would it not be a paying investment for Canada to manufacture them in this country? Would it not be for the general good of all the people of this country if the employment required for the manufacture of these enormous importations were given in Canada and the wages, which represent a large part of the value, were paid in this country? The government's policy of tariff nibbling has already done untold damage to the woollen manufacturing industries of this country. I may say candidly that in my younger days I had other ideas in regard to trade policy. I remember nine or ten years ago making a speech in the old House of Commons advocating that agricultural implements should be put upon the free list. That speech has been quoted many times in this House. I do not hold that opinion today, and I am inclined to answer any criticism of my change of opinion as the late Lord Morley is reputed to have answered a criticism which was once levelled at him for having changed his opinion: "I admit," he said "that ten years ago I held many opinions which I do not now entertain. I have discarded them, and anyone who desires to take up my discarded opinions is entirely welcome to do so."

Mr. FORKE: May I suggest to the hon. member that perhaps he will pick them up himself again some day?

Mr. GUTHRIE: All things are possible, of course, but at the present moment there does not seem to be any great likelihood of it. I think, Mr. Speaker, that the case of the woollen manufacturers and of the agricultural implement manufacurers at this moment for substantial tariff protection is absolutely unanswerable. I have tried to turn this matter over in my mind, I have examined it with such ability as I have from all points of the compass, to see how it affects this community, or that community, this interest or that interest; but if viewed in regard to its general application to the whole Dominion of Canada, and that is the only fair way of judging, I believe it is a most essential thing for Canada and for the people of Canada to retain these industries working at their fullest capacity. I believe it would be a fine thing for Canada to manufacture all of these woollens in this country and give all this employment in Canada.

There is one further remark I desire to make, and in this instance I am going to address myself directly to my right hon. friend the Prime Minister. I remember an amendment which he moved in this House in the session of 1921, and I remember well the political conditions which existed at that time. I was a member of the government at that time which had in the parliament of that day a clear majority of twenty members. The present government, I take it for granted on a statement I have heard, sits in this House in a minority of at least two; its supporters are a minority of the total membership of this House. The government of this country, in the month of March, 1921, was supported by a clear majority of twenty in this House; I think more, myself, but twenty is the figure stated by the present Minister of Justice in a speech to which I am going to refer. We had in 1920 and 1921, as we have had recently, a series of by-elections in Canada. The government of 1921 was elected towards the end of December, 1917.

Mr. MACKENZIE KING: No, that was another government.

Mr. GUTHRIE: The Prime Minister had been changed, that is true. The last general election preceding that was in 1917. In July, 1920, on the retirement of Sir Robert Borden, the present leader of the opposition became head of the government, and that government was supported in this House on that day by a clear majority of twenty. There were signs, I will admit it, to be gathered from the by-elections in the fall and winter of 1920-1921 that the government of the day was losing support in the country. We had had a series of by-elections. I am not going to refer to ministerial elections or ministerial acclamations; we had a ministerial by-election down in Colchester which we carried with an enormous majority, and another in St. John, New Brunswick, with a still greater majority.

Mr. MARTELL: Is it not the case that in 1917 the so-called Unionist party promised the people that an election would be held immediately after the war was over?

Mr. GUTHRIE: No.

Mr. MARTELL: It was done in my county at any rate.

Mr. GUTHRIE: I see the situation I am going to portray is a little difficult for hon. members opposite, but here is the situation: There were one or two rather critical by-elections in the autumn of 1920. The government carried the riding of Yale in British Columbia by a substantial majority; that was a party fight. The government lost a riding in East Elgin by a narrow majority in a three-cornered fight, but perhaps our most spectacular defeat took place in West Peterborough, where the present deputy speaker of the House (Mr. Gordon) carried the election by a very substantial majority. That was also a three-cornered fight, but his majority was substantial. The House met in the February following, and on the opening day of the session the government was met with an amendment to the Address moved by my right hon. friend the present Prime Minister in the following words:

> We respectfully submit to Your Excellency that Your Excellency's present advisers do not possess the confidence of this House or of the country, and that their retention of office constitutes a usurpation of the powers of popular government.

That was a direct challange that the government had not the support of the country, and it was perfectly right to make such a challenge. The situation was very similar to the situation which exists in Canada to-day. The hon. member of the House who delivered the most important speech in that debate, and it was a very able argument, though I was not one of his supporters, was my hon. friend the present Minister of Justice (Mr. Lapointe). He went into all the precedents on the subject and demonstrated to a conclusion, in the most forcible and cogent way that the government of that day, having regard to the verdict of the by-elections, should cease to govern, and should appeal to the people. Some of his statements I might quote. Here is one, not very complimentary to myself, it is true. At page 461 of Hansard he says:

> The third reason in favour of the amendment is that this government is no longer in harmony with public opinion—

That was his reason.

> —and has utterly lost the confidence of the country. Indeed, it has not only lost the country's confidence; it has earned its contempt. No government has the moral right to pass legislation under such circumstances. The result of the by-elections cannot be misread; they are bold, definite and unequivocal. The Canadian people have made it clear that they want a new government. They will not let the country pass through two more years of dishonourable history in order to allow a group of political gentlemen to show their consistency in their vices as well as in their virtues, and to gratify the human disinclination of my hon. friend the Minister of Militia (Hon. Mr. Guthrie) to become once more a private man.

The present Minister of Justice then proceeded in support of his contention to cite the late William Ewart Gladstone, a very high parliamentary authority, and a deep student of British parliamentary traditions and practice. He quoted him with great effect. I cannot read the full quotation because there are pages of it, but at page 465

of Hansard he quotes from a speech Mr. Gladstone made in the House of Commons, which will be found on page 1126 of the British Hansard. Mr. Gladstone had been Prime Minister of Great Britain and had lost several by-elections by rather large majorities. Although he had a substantial majority in the House of Commons he suddenly dissolved parliament, and at the general elections Benjamin Disraeli was returned as Prime Minister. Many of Mr. Gladstone's friends rather challenged him on the question of dissolving parliament at a time when he had a large majority in the House and Mr. Gladstone's speech in reply is what my hon. friend the present Minister of Justice quoted with absolute approval:

> It is repugnant to my feelings, and not compatible with the best interests of the country that a government should continue to govern, even with a numerical majority, when its strength is falling away, and when there are daily increasing evidences that it no longer represents the will and opinions of the constituencies.

Such then was Mr. Gladstone's opinion of the plain duty of a Prime Minister of a government which possessed a numerical majority. What think you, Mr. Speaker, as to the duty of the head of a government which is in an actual minority in the House of Commons and where recent by-elections furnish increasing evidence that the government no longer represents the will and opinions of the constituencies? The question as to whether a government has lost the confidence of the electors can only be determined by the result of by-elections. How else can we judge the question? We determine it by the by-elections. I appeal to my right hon friend the Prime Minister, and ask him what inference what meaning he can take from the recent by-elections? If he has any doubt in his mind as to the true significance of the by-elections, that is another question. If he believes that the country is against him, that a popular majority in the country is antagonistic to him, he has but one clear duty to perform and that is to resign. If he has a real doubt upon the subject then he should be bold enough to appeal to Cæsar and submit his record to the people.

Mr. MACKENZIE KING: If my hon. friend attaches any significance to his own words, why did his own leader not adopt the course which I took and test the confidence of this country in the government?

Mr. GUTHRIE: I am just coming to that. That speech of the Minister of Justice was delivered in this House on the second of March 1921. We wound up the session speedily, on the first of June, I think. The then Prime Minister immediately went to the Imperial Conference as was his duty. As soon as he returned from that Conference, he announced or virtually announced on the second of September at London the dissolution of parliament. He examined the precedents, he considered the citations, he felt the force of the speech which was directed against his government by my right hon. friend the Prime Minister and the present Minister of Justice. He felt that the arguments were unanswerable in view of the results of the by-elections, and that by British parliamentary practice, in accord with the best principles of parliamentary traditions in Great Britain, it was his duty to test public opinion by an appeal to the people and he did so.

Mr. MACKENZIE KING: Will my hon. friend tell the House how many vacancies there were at the time?

Mr. GUTHRIE: I do not remember.

Mr. MACKENZIE KING: My hon. friend's leader was afraid to test public opinion by holding the by-elections.

Mr. GUTHRIE: That brings me to another question. The government have not the courage to create a single vacancy.

Some hon. MEMBERS: Oh, oh.

Mr. GUTHRIE: Why, sir, it is common talk in the lobbies, it is common knowledge in the country that no vacancy can be created on the government benches to-day save for one cause only, and that is the act of God. There will be no more judicial appointments from the ranks of the Liberal party in this House at the present time. Members of that party may look longingly at vacant seats in the red chamber, but they will not be filled by gentlemen who have seats in this House at the present time. What is the record of the by-elections during the past year? It has been gone over so often that I need not repeat it. It forms a consistent record of want of confidence in the government. Does it not bring conviction to the mind of any man that popular feeling is against this government, that popular opinion is against this government, and that this government lacks the support of the vast majority of the electors of the Dominion. Now, will my right hon. friend the Prime Minister take the manly course, will he take the courageous course, will he take the course which his predecessor took, and make the appeal to Caesar? His government to-day is a minority government—

Mr. MACKENZIE KING: I do not agree with my hon. friend.

Mr. GUTHRIE:—not only in parliament but in the country. It has lost its popularity, it does not enjoy public confidence or support—

Mr. MACKENZIE KING: Not at all.

Mr. GUTHRIE:—if we are to judge by the by-elections. That is a test that was imposed. That is the test which was imposed by my right hon. friend and his Minister of Justice in 1921.

An hon. MEMBER: What about sectional appeals?

Mr. GUTHRIE: I did not quite catch the meaning of the hon. gentleman's observation.

Mr. MACKENZIE KING: Two by-elections in three years!

Mr. GUTHRIE: Will my right hon. friend take the manly course, will he take the courageous course, will he be as courageous as his predecessor in his leadership of the government, will he live up to British precedents and traditions? The Minister of Justice is fond of that word "Liberalism". He rolled it round his mouth so on Friday afternoon on several occasions as a sweet morsel.

Mr. MARTELL: Did you never do that?

Mr. GUTHRIE: Yes I have. What did my hon. friend the Minister of Justice say? He said the first principle of Liberalism is to trust the people. I wish he was here to-day. I wish I could direct his mind to his argument in 1921, to that splendid speech of his made in this House which I feel convinced the then Prime Minister that he should make an appeal to the country. I wish my hon. friend the Minister of Justice would direct that speech to his own leader to-day. But there the government sit knowing that at this moment they cannot carry a single constituency in the Dominion of Canada—I should perhaps make a few exemptions—knowing that popular opinion is against them, knowing that they are in a positive minority in this House still hanging on to office, hanging on to office against British tradition, against British precedent and contrary to the courageous example set for them by my right hon. friend and leader who as Prime Minister of this country boldly appealed to the judgment of the electors of Canada in December 1921.

Hon. J. H. KING (Minister of Public Works): Mr. Speaker, I would join with those hon. members who have taken part in the debate in offering my congratulations to the mover and seconder of the Address. I am sure that both these hon. gentlemen derived a very considerable amount of pleasure in drawing the attention of the House and the country to this particular Speech. Because, Mr. Speaker, the Speech covers a large field, a proper field, a field dealing with facts, a field that truly sets forth the position of the government, and that forecasts proposed legislation. The manner in which the Speech has been received in the country generally is remarkable, and the reception accorded to it in this chamber is equally remarkable. We find the official opposition group to-day downcast and dumbfounded. During the time this debate has been under way there has been a studied effort on the part of the opposition not to deal fairly with points raised in the Speech, but to divert public attention from the issues raised by interjecting questions which should properly come up in connection with the discussion of the budget. The Speech has been so disturbing to my hon. friends opposite, that in some cases they have resorted to extreme sarcasm in order to try and weaken its effect. My hon. friend the member for Vancouver Centre (Mr. Stevens) who usually speaks in the most courteous and reasonable manner found it necessary to refer to the Speech in the following terms:

> The Speech from the Throne has been described as perhaps one of the longest in our history, and I must confess that to me at least it appears to be filled—I do not wish to he harsh, but still I cannot modify my language any further—with meaningless platitudes. There are recited there a lot of pious hopes, and so very indifferently and indefinitely stated that the result is a state of chaos in the minds of the public generally.

Now, Mr. Speaker, I contend there is no chaos in the minds of the public, or the people of Canada to-day, in reference to the Speech. If there is chaos it prevails in the ranks of my hon. friends opposite. What is the outstanding feature of the Speech that would appeal to the citizen or taxpayer of Canada? What I think would appeal to him as of primary importance is the promise of a balanced budget with a surplus in sight and a reduction of taxation. A balanced budget, I am satisfied, will be very gratifying to the people of Canada. It will probably be more appreciated on account of the insidious campaign that has been carried on by the party press and official leaders and public men throughout Canada during the interval between the last and the present session. It has been represented that Canada was being forced to the dogs by reckless expenditures and policies adopted by this government. But, Mr. Speaker, since the people have been advised of the accomplishments of this government during the short period of their time in office

—that is, successfully balancing the budget, indicating a surplus, and a reduction of taxes —we find that these people and the party press who have been making such representations during the summer are to-day exposed as false prophets and unreliable propagandists. But I can assure you, Sir, that the balancing of the budget has not been an easy or mean task. It has only been brought about by the most careful scrutiny of every item of expenditure. This has been reflected in the department which I have the honour to represent, the department of Public Works, being one department of government which has the largest controllable expenditure. The department, as is well known, has many ramifications throughout the country. It is charged with the responsibility or the taking care of our navigation, and dredging fleets are maintained on the Pacific, the Atlantic, and inland waterways, in order that the channels of our rivers and harbours may be kept clear from debris collected from time to time, and that the commerce of the nation may be carried over our waterways. In addition, we are charged with the construction of wharves and breakwaters, works which are continually exposed to the elements, requiring constant expenditure for maintenance and repair; the construction, repairs, and renewals of public buildings; also the operation, repairs to and renewals of some 14,184 miles of telephone and telegraph lines, 363 miles of cable, 1,342 offices, the service of the department being widespread and general throughout the whole Dominion. During the last few months it has been represented by journals of repute and public men that parliament has seen fit to grant large sums of money to this department, sums not dreamed of before. To the individual member who has been asking for expenditures in his constituency, the facts are well known, but I think it only fair that the truth should also be made known to the taxpayer or the man on the street; and I am of the opinion that the better way to refute the impression that has gone abroad is to take the expenditures that have been made over a period of years by the department, a comparison of the expenditures that the government of the day has thought necessary from time to time to ask parliament to vote, in order that the functions of that department can properly be carried on.

For the sake of comparison, I will
5 p.m. start with the year before the war.

The expenditures for public works were as follows—

1913-14	$27,991,000
1914-15	29,283,000
1915-16	19,539,000
1916-17	16,161,000
1917-18	14,055,000
1918-19	12,902,000
1919-20	16,118,000
1920-21	19,752,000
1921-22	17,140,000
1922-23	14,283,000
1923-24	16,115,000

In regard to 1923-24, our expenditures are estimated for the financial year from knowledge we have in the department, and will amount to $16,115,000. It will be noted that during the years between 1916 and 1923 the expenditures were at the lowest ebb. It is well known to hon. members of this House that public works of importance have been allowed to go into disrepair and decay, and that for a period between 1915 and 1924 there have practically been no public buildings constructed throughout Canada. With the expenditures for the last two years—that is the years this government has been in control—it will be seen they are the lowest of any two years in the ten year period mentioned except for the war years of 1916-17 and 1917-18. I do not pretend that the department has been able to give proper service for the money placed at its disposal, for from personal examination and knowledge I am convinced that there is a great need of expenditures on public buildings throughout Canada. Cities and towns have outgrown the accommodation that was considered adequate ten years ago; new communities have sprung up requiring proper facilities to carry on the government's business; but with this knowledge the government has seen fit to so shape its policy as to refrain from any large new undertakings until the budget has been balanced and a surplus in sight. I am satisfied, Mr. Speaker, that nothing will give more gratification to the people of Canada than the balancing of the budget and following that reduction in taxation. The Speech from the Throne states that such reduction of taxation as it may be possible to effect should aim primarily at reducing the cost of the instruments of production in the industries based on the natural resources of the Dominion. Why should these industries be first considered? Because they are basic in character, and their successful development makes possible the existence of subsidiary industries. If one will take statistical information relating to these industries he will not fail to be struck by their magnitude and importance to the people of Canada. I asked the statistical department four questions in regard to the four basic industries; that is, the

industries of agriculture, lumbering and pulp, mining, and fishing; first the amount of capital invested in each, the annual value of the product, the number of people employed, and the total wages paid. And I shall ask the House to bear with me while I read this statement. I will take first the agricultural industry:

Amount of capital invested, value of land, buildings, implements, machinery and livestock, 1921	$6,586,648,000
Value of farm products 1922 estimated at	1,420,170,000
Total wages paid in 1920, cash	98,332,000
Board	33,344,000

Then I will take the lumbering industry, and the figures are as follows:

Amount of capital invested	$189,622,000
The annual value of production	179,099,000
Number of people employed	57,233
Total wages paid	$ 50,857,719

The figures for the pulp and paper industry, which is a basic industry associated with the lumber industry, are:

Amount of capital invested	$381,006,000
Annual value of production	148,123,000
Number of people employed	25,830
Total wages paid	32,918,000

In the mining industry, which includes coal mining as well as metalliferous mining, the figures are:

Amount of capital invested	$493,694,000
Annual value of production	184,297,000
Number of people employed	62,249
Total wages paid	$ 75,026,000

In the fishing industry, the figures are:

Amount of capital invested	$47,764,000
Annual value of production	41,800,000
Number of people employed	74,457
Total wages paid in canning and curing establishments	$ 3,641,000

No information available in regard to wages of fishermen.

To consolidate these figures, I am going to give the totals in these four basic industries:

Amount of capital invested	$7,698,214,000
Amount of annual production	1,973,421,000
Wages paid	320,480,000
Number of people employed	1,153,504

I am sure no member of this House will seriously contend that it is possible by building up a high tariff wall, to bring about an industrial development which will absorb the products of these basic industries. It is evident that the government should endeavour to assist in making the cost of production as low as possible, so that they may be enabled to supply the home market at reasonable prices and be in a position to go into the markets of the world and to compete successfully for the world's business.

[Mr. J. H. King.]

I am satisfied that we in Canada who realize the great richness of our natural resources, who have familiarised ourselves with the extent and character of those resources, are of opinion that the greatness and future of Canada will depend upon the scientific and proper development of those industries. His Excellency, in his Speech, goes on to suggest to the members of this House and to the people of Canada:

> That every effort will be made still further to develop the policy of Canadian trade via Canadian ports.

Action by this government last year in making the extended British preference applicable to goods brought in through Canadian ports has borne remarkable fruit, and it has enured to the benefit of Atlantic and Pacific ports. It has been found that since that legislation became effective, from the month of May to January of this year, over $50,195,000 worth of goods coming in under the preference has been actually entered under the extended preference. And I find that on the seaboard where people are watching for development, they have already seen the result of this policy. The St. John Board of Trade, an influential public body writes on March 11 as follows:

> Dear Sir,
>
> The St. John Board of Trade desires to state that it most heartily approved of the British preferential tariff clause which passed the last session of parliament, being of the opinion that it would be made wholly applicable to Canadian ports, and that these ports will be greatly benefited thereby.
>
> The St. John Board of Trade would renew its expression of approval of this preferential arrangement and would earnestly request that it be made to apply altogether to Canadian ports.
>
> A determination of this nature would undoubtedly lead to the development of the policy of development of Canadian trade via Canadian ports, as was suggested by His Excellency the Governor General in his Speech from the Throne.
>
> Appreciating this expression on the part of His Excellency, and such action as the government can take in this great enterprise.
>
> R. E. ARMSTRONG,
> Secretary, St. John Board of Trade.

I read this letter in order that the members of this House may have knowledge of the effect of the policy as introduced at the last session of parliament in the matter of British trade and British preference.

In this connection, I wish to speak with reference to recent activities in our Pacific ports, particularly the port of Vancouver, where there has been a development that has startled the people of this continent and which has largely been due to the remarkable development of the western grain route. In order that I may retain continuity in my remarks, I will submit a statement showing the

increase in tonnage passing in and out of that port during the last few years:

	Shipped for export
1920-21..	700,000 bushels of grain
1921-22..	7,000,000 " "
1922-23..	19,000,000 " "

In 1923-24, 25,000,000 bushels have already passed through that port, and there is a probability of 50,000,000 bushels being shipped during this crop year. The growth in the export trade in lumber has almost equalled, if it has not exceeded the development of wheat export.

Mr. MANION: For the information of the House—how much of that went to Europe and how much to China?

Mr. KING (Kootenay): I have not the information here. If my memory serves me right, about four or five million bushels went to Japan, and the balance to the United Kingdom. I have not followed the report for this year. The figures in regard to the export trade in lumber are as follows:

	Lumber shipped
1921..	179,848,000 feet
1922..	217,175,000 "
1923..	429,600,000 "

In 1921, eighty-two vessels loaded at the port of Vancouver with 127,000 tons of freight, and pasesd through the Panama canal to the Atlantic. In 1923, 200 vessels loaded 677,000 tons of freight and passed through the Panama canal to the Atlantic.

The development has been rapid; but I think it has really only started, because we in western Canada, and, I believe, the people in eastern Canada, and the people in the Old Country, have begun to realize the advantage of the Panama canal and the possibilities of the extension of business in the Pacific and the Orient. The primary stimulus to this movement can, I think, be set down to the reduction in freight rates, resulting in a partial elimination of the mountain scale. In 1922 the government of the province of British Columbia presented argument to the Board of Railway Commissioners and succeeded in getting some relief under a general order No. 366, issued on the 30th June, 1922, by the board. I might say that there has always been a division of freight rates into class and commodity rates, the first being based on mileage and considered as standard, and second, commodity rates which are not based upon mileage, but are made by all railways as when they consider necessary in order to move traffic. About 15 per cent of the total traffic to and from British Columbia moves on class rates, the balance on commodity rates. Prior to the date of the judgment the British Columbia class rates scale, generally speaking, was based on 1½ times the prairie scale, which, worked out, meant that the mountain scale was about 33 per cent greater than the prairie scale. By this judgment the differential was cut in two and the mountain scale is now about 16⅔ per cent greater than the prairie.

At the time of this judgment the amount of grain moving to Vancouver for export was comparatively small. Grain and grain products for domestic consumption moved upon commodity rates. The board ordered that the commodity rate for wheat and wheat products for domestic consumption should be reduced by the same percentage as the class rate; but as the rate on grain and grain products for export was scarcely referred to in the argument before the board, the board did not take action in regard to it. However, on the issuance of the order the railways themselves made a reduction of 20 per cent in the export rates on grain and grain products. That was in the spring of 1922, and it will be noted that the exports, which were 700,000 bushels the year before, jumped to 7,000,000 bushels.

The British Columbia government, although receiving some concession at the hands of the Railway Commission, appealed from that judgment to the executive council. A hearing was had during the summer months, and I propose now to quote from the reference of the executive council to the railway board of October 2nd of that year the section relating to grain and other rates. It is as follows:

> And it appearing that the question as to the rates on grain from points in the provinces of Alberta, Saskatchewan and Manitoba to Vancouver and other British Columbia coast points for export was not the subject of argument before the board and therefore not specifically dealt with in its said judgment;
>
> And it appearing further that on the hearing of the said appeal the petitioners asked for reductions in the said rates on grain;
>
> The committee therefore recommends that the subject of the said export grain rates from points in the said provinces to Vancouver and other British Columbia coast points be referred to the said board for immediate consideration and such effective action as it may deem necessary.

It will be noted, Mr. Speaker, that the reference was made at the beginning of October last year, it being the desire of the government that if further reductions could be made in the grain rates the matter should be dealt with early by the Board of Railway Commissioners in the hope of securing further relief. The Board of Railway Commissioners on the 10th October, 1923, issued the following order, No. 384:

> Whereas by order in council P.C. No. 2007, dated the 2nd day of October, 1923, the Governor in Council referred the subject of the said export grain rates from

points in the said provinces to Vancouver and other British Columbia coast points, to the board for immediate determination and such effective action as the board may deem necessary;

After fully considering the matter and applying the principles set forth in the judgment of the board, dated October 10th, 1923, and for the reasons therein contained—

The board orders that the current rates on grain and grain products to Pacific coast ports for export be reduced uniformly ten per cent; and that all the railway companies subject to the jurisdiction of the board file tariffs, effective not later than October 22nd, 1923, showing such reduction; also that all milling, malting, storage, cleaning or bagging in transit privileges on grain now contained in the tariffs be unaffected by this order.

Mr. CLARK: When the Railway Commission was directed to review these rates, did counsel appear on behalf of the province of British Columba?

Mr. KING (Kootenay): No, I think not. Counsel for British Columbia appeared before the Railway Commission in the spring of 1922, and they came before the executive council last summer, when they reviewed the general case and presented argument regarding the export rate on grain. It will be noted that the executive council directed the attention of the Railway Commission to the fact that further argument had been made in regard to rates on grain, and asking that the railway board review the argument.

Mr. CLARK: Is the minister aware of the fact that the province has requested the Railway Commission to hear a further appeal?

Mr. KING (Kootenay): I think we will meet that situation. The executive council was anxious that there should be an early reference to the Railway Commission in order that, if a reduction were made, the shippers of grain would be able to take advantage of it in the shipping season.

A further reference was made to the railway board by the executive council on the 24th October 1923. I quote the following from it:

One of the main grounds of appeal dealt with on the argument was that regarding the export grain rates from points in Alberta, Saskatchewan and Manitoba to Vancouver and other British Columbia coast points. This matter has been specifically dealt with by order in council of the 2nd October, 1923 (P.C. 2007).

The committee, therefore, recommends that all other subjects of complaint referred to in the said petition be also remitted to the Board of Railway Commissioners for Canada to be dealt with as it may deem proper upon the evidence already adduced and the arguments presented before the board and before Your Excellency in Council.

The committee observes, however, that in view of the vital importance of facilitating the interchange of commodities between the various sections of Canada, railway rates should be maintained at as low a basis as possible having regard to all proper considerations. Accordingly the committee is of the opinion that in the future, should transportation and traffic conditions so change as to render practicable a nearer approach to equalization of rates as between prairie and Pacific territory, the board should in the exercise of its discretion take such action as may be necessary to bring about this result.

I have reviewed briefly the reduction that has taken place not only on grain rates but on class rates generally through the appeal made in 1922 and the action of the railway companies in their granting a reduction of 20 per cent, following the order of the board in 1922, and the further reduction granted by the Railway Commission last year on the representations made to them by counsel. As the matter stands to-day the Railway Board of Canada still have before them for consideration the advisability of further reductions in railway rates. In my opinion, with a proper development of our agricultural industry and of our natural resources in the West, further representations will be made to our railways from time to time in the interests of development, and in the not far distant future the discrimination that exists between British Columbia and Alberta will be finally wiped out.

Mr. CLARK: Is the minister aware that the Chairman of the Board of Railway Commissioners has refused to hear counsel on behalf of British Columbia in pursuance of the order of the Privy Council?

Mr. KING (Kootenay): I imagine that counsel from British Columbia or any province can, under a proper mode of procedure, present arguments to the Board of Railway Commissioners. I did not understand that there had been a refusal to hear further argument, but I am satisfied that if it is the desire to present argument, there is a procedure to be followed to that end.

I wish also to deal with a matter that is of some importance to western Canada as well as to the people of the East. Over a period of many years there has been an agitation on the part of British Columbia that the ocean route be made available for the transport of commodities from the East to the West. These representations have been made by public bodies in the form of petitions from time to time. Last year interest centred around a shipment of steel rails from Sydney, Nova Scotia, which was transshipped at New York for Vancouver. It is suggested that the local customs officer at Sydney indicated verbally that rails shipped in that manner would not be subjected to duty, but on arrival at Vancouver the Dominion customs officer informed the purchaser that goods so shipped would be liable to the same duty as if they had been manufactured in and shipped from the

United States. This shipment being rather large and involving a considerable sum of money, very urgent representations were made to the Dominion government by the province of British Columbia. The Dominion government was impressed by the desirability of enabling the people of western Canada as well as of eastern Canada to avail themselves of the cheaper ocean transportation for the movement of Canadian goods. It has been decided that an officer will be placed in New York who will there clear goods in transit for western Canadian ports and also goods coming from western ports to eastern Canadian points. But in the order making provisions for an officer at New York the government have thought it wise to stipulate that goods so moved should be placed in British bottoms, that is, ships of British or Canadian register. It is hoped that by this provision there will be established sailings of British or Canadian ships from Canadian Atlantic ports which will fully accommodate this traffic.

Mr. LADNER: May I inquire whether there are any lines operating ships of British or Canadian register which send vessels that way?

Mr. KING (Kootenay): Yes, there is one line, and recently the Canadian National Railways have indicated their intention to put on two ships. I am informed also that there are two or three lines which propose to establish a regular service between eastern and western Canadian ports this summer.

Mr. LADNER: Has the government any definite arrangement with those lines, with a view to making certain that the goods will be carried?

Mr. KING (Kootenay): I am satisfied that lines will be established if there are goods to be carried, and we have reason to believe that there will be a very considerable amount of business offering, because it is within the knowledge of the Minister of Customs (Mr. Bureau) that no less than two, and possibly three, lines are prepared to enter into this traffic.

Mr. LADNER: Why would it not be in the interests of traffic to allow any competing lines which would give the service at the reduced rates to have the benefit of the establishment of the customs officer at New York?

Mr. KING (Kootenay): There will be a customs officer at New York and goods shipped to that point will have an opportunity of entering into ships of British registry.

Mr. LADNER: My question is, why not other ships?

Mr. KING (Kootenay): I think it only fit and proper that we should endeavour to keep this trade within Canadian channels. It will travel over Canadian railways to Canadian ports and will there enter into ships of our own register or of British register to be transported. We are satisfied that in the British merchant marine we have facilities which are sufficiently extensive to give accommodation and to bring about a competition which will control rates in the matter of this tonnage.

I regret to say that one important public body in Vancouver has taken exception to this ruling and contends that these goods should enter ships of any registry and be allowed to move freely. Now, as a representative of British Columbia and a Canadian I do not agree with this contention. I think it absolutely essential, if we are to grow as a nation, that we develop and maintain our national ports. No maritime nation can afford to build up the ports of an adjoining country at the expense of its own. I am satisfied that the people of British Columbia as a whole will endorse this attitude. I am sure that if the position were reversed and the people of Alberta and central British Columbia were to find it more acceptable to ship their goods via the ports of Seattle and Portland, our friends of the Vancouver Board of Trade would be the first to take exception and to insist on certain restrictions that would tend to confine this business to our own ports.

Mr. LADNER: Is the government in possession of any assurances to make certain that the nature of that arrangement does not mean that the rates by water will be adjusted somewhat on the same basis and at the same rate as by rail in which case the advantages of going via New York would be virtually nullified so far as lower rates are concerned.

Mr. KING (Kootenay): The government will always have it within their power to amend that regulation if it is found that the people who are going to engage in this business are trying to make excessive profits out of it; but primarily, I think, we are on safe ground. It is the policy of this government to develop our own national ports, and this business, which I believe is going to become of very great importance not only to our people in western Canada but I think of even greater importance to our manufacturing friends in central and eastern Canada, should certainly remain in the channels where the

people of Canada will derive the most benefit from it.

In closing, I wish to say that so far as the people of British Columbia are concerned they are desirous of seeing brought into effect by this parliament policies that will be for the development of the whole of Canada and for the benefit of all the people. We are desirous of seeing a united Canada, where there will be no suggestion of sectional discrimination as between the East and the West. We as a people are desirous of seeing a united Canada grow and prosper and become a great nation, and I believe that with the great natural resources this country possesses and with the people who are known as Canadians to-day, we have a great future before us, a future which will mean much to the Canadian people, a future within the great Empire which we are desirous to see remain as a unit not only for the benefit of British citizenship, but for the advantage of the people of the world.

Mr. R. A. HOEY (Springfield): Mr Speaker, several speeches have been delivered during the course of this debate, the very nature of which indicated considerable study and research on the part of those responsible for their creation. There was one speech, however, that seems to have left an indelible impression upon my mind, and to that speech I should like to refer at the outset. It was the speech delivered by my hon. friend from South York (Mr. Maclean), the gentleman who sits to my extreme right on this bench. Viewed from the standpoint of political progress the speech was refreshing. To me it was stimulating. It was delivered in a spirit wholly non-partisan, and I should like to congratulate the hon. member upon the delivery of that speech. His was a voice from the wilderness, it is true, but nevertheless a voice I think in which we all detected very pronounced modern and progressive accents. It was significant to me, and must have been significant to others, that while one of the oldest members of this chamber, and I trust he will not think I am speaking disrespectfully, spoke in that tone, one of its youngest members of his party the hon. member for Fort William and Rainy River (Mr. Manion), declared very eloquently and very emphatically, and in his own inimitable style, that he still believed in and stood for the policy that has now reached or almost reached its allotted span.

Might I add this to what the hon. member for South York so ably said? I sometimes feel almost instinctively that we are in the very presence of a new organization of human society on a co-operative rather than a competitive basis. I do not mean by that that we are going to witness any violent social upheavals, anything of a cataclysmic nature, but I do feel that we are in the grip of forward moving forces. Furthermore, I believe that Great Britain to-day is becoming the very spearhead of the forces that labour for the triumph of democracy and modern civilization. I recall to mind at the moment a statement that fell from the lips of a very distinguished American citizen immediately after the close of the Great War. Addressing thousands of his fellow-countrymen who had come to hear him, he said:

> World civilization during the last four years has been passing through a revolution, a revolution which for magnitude of destruction is unparalleled in the history of human endeavour. The old social order has collapsed, and all attempts to restore it on the traditional competitive basis will end in disappointment and in disillusionment.

The discussion during the course of this debate has centred around and at times merged wholly in the question of the customs tariff. It seemed to me as I listened to the addresses delivered in defence of the protective principle, that I could detect in them all, indeed almost in every sentence, the same fallacy, a fallacy, Mr. Speaker, that in my judgment is going to influence many in this country and confuse the issue until it is successfully exploded. I refer to the fallacy of looking upon production as an end in itself, rather than as a means to an end, and that the enrichment of the Canadian people. I refer to that pernicious fallacy of looking upon labour, regardless of the expenditure of human energy, as something to be desired and something to be provided, regardless of the expense of that labour to the nation. Let me illustrate what I mean. A few weeks ago we had an abundance of snow in the city of Ottawa. That snow provided work for a certain number of men ordinarily unemployed. They were paid for the services rendered out of the pockets of the tax-payers of this city. Had that snow not come those men could have been paid an equal amount, perhaps more, in working on constructive enterprises and the citizens of Ottawa would have stood to benefit in that they would have been saved from the slush and irritation associated in our minds with life in the Dominion capital a few weeks ago. Had this money not been spent in that way it could have been devoted to constructive enterprises with the return of spring. And so it seems to me, Mr. Speaker, that we have reached this stage: The protectionist prays continually for more snow, the free-trader for the return of spring and the release of natural forces. This brings me to the end of the first section of my remarks, and if the House has no objection I should

feel thankful, Mr. Speaker, if you would call it six o'clock.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. HOEY: When the House took recess at six o'clock I was dealing with what I described to be a pernicious policy, a policy that looked upon labour or production as an end in itself, rather than as a means to an end, a policy which if persisted in would have us destroy Canadian buildings and abolish modern machinery in an attempt to provide employment. As a further illustration of what I have in mind, I want to quote some figures. During the years 1915 to 1918 inclusive a certain factory in this country produced 113,542 automobiles, and the excess price charged to Canadian purchasers over the prevailing price in the United States was $13,394,941. The wages paid by that concern during that period on the cars actually made and sold in Canada amounted to $9,083,360, and their total wage $11,960,807. That is their total wage bill on cars made for sale in Canada and for export. They paid in taxes during that period $2,284,145, leaving a surplus of $2,027,436. What do these figures mean? They mean that during this period the people of Canada could have paid all the wages this firm paid, all the taxes this firm paid, and had a surplus in the national treasury of $2,027,436, or a sum sufficient in itself to pay more than half the duty paid by this firm on their raw material entering into the manufacture of this article. The honourable, unassuming and genial member for Brantford (Mr. Raymond) during the course of his speech a few days ago, told a story the point of which I failed to get at the moment. The story was that of a boy, the son of a religiously-inclined mother, and the boy was anxious to secure a drum. He punctuated his evening prayer with a request for this drum, and when he received it he proved ungrateful. Just what relationship exists between a drum and those who demand free trade I could not detect. Those who advocate free trade advocate it not for themselves but for all. It is a doctrine of freedom as opposed to a doctrine of slavery. But I want to tell the story of a boy, not the son of a religiously-inclined mother, and not the son of a woman of questionable character, but the son of a mother who was described by all as an incurable flirt, particularly when in association with politicians. She was consequently a very popular women, particularly with the older politicians. This woman had several boys, but I want to refer to one of them in particular. His name was called Industry—Infant Industry. Just why he should have been given that name no one seemed to know. There were those, however, who contended that the name was given him by one Macdonald, a Scotchman, who declared that ultimately the boy would grow and discard that name; that is to say, he would ultimately grow up and finally be knighted Viscount Monopoly. The boy was natural to begin with, but because of the position in which he was inclined to sit he developed spinal trouble—spinal meningitis. He became obsessed with a very unnatural obsession—I presume all obsessions are unnatural—an obsession that the little children with whom he played from day to day sought his destruction, and so he became persistent in his demands for a gun. Night after night, as his mother would attempt to teach him the evening prayer he would punctuate it thus—

> Now I lay me down to sleep—
> ("I want a gun")
> I pray the Lord my soul to keep.
> ("I want a gun")
> If I should die before I wake—
> ("I want a gun")
> I pray the Lord my soul to take.
> ("Get me that gun!")

And finally the gun was provided. He woke in the morning, and, instead of proving grateful, he looked at it and said, "Where the devil did that toy gun come from? I want a gun that will not only enable me to shoot those American kids next door, but those Italian kids that live at the end of the avenue, and those German kids who live on Kitchener street, and those English kids that live across the way." I think my hon. and genial friend from Brantford will agree with me that it is a dangerous thing to put guns in the hands of children, particularly children who seek the destruction of their fellows. The Canadian Manufacturers, that august body, at a meeting recently held in Hamilton passed a resolution which I shall read to the House. It is the very embodiment of modesty and reads—

> The adoption of a stable and sound fiscal policy, based on an adequate customs tariff, will bind together more firmly the provinces of Canada in national unity, attract capital, commercialize natural resources, strengthen existing industries and create new industries, raise revenue, encourage immigration, provide employment, increase traffic through national ports, furnish passengers and freight for transportation systems, lower freight rates; make farming more profitable by pro-

viding new markets abroad and facilitate profitable bargaining by means of tariffs with other countries.

I said that that was the very embodiment of modesty, because it leaves out two very important factors. It should have added unlimited campaign funds and political preferment for the party willing to espouse it. Indeed, I do not know but that they might have legitimately claimed that if you elevate the tariff high enough, that is from the low plane upon which it now is, up higher and higher and higher, it will ultimately restore hair and thus protect the bald heads of those who advocate it. You can imagine then the embarrassing position in which the hon. member for Brome (Mr. McMaster) would find himself as opposed to that in which the leader of the opposition (Mr. Meighen) would find himself. That is the difficulty with the tariff. It never evenly distributes the benefits that accrue therefrom.

The hon. member for Vancouver Centre (Mr. Stevens)—let me say with respect to him that I am just as anxious to lead him from the error of his ways as he is to lead me from the pathway of rectitude—during the course of a speech which he delivered, and with which I shall deal, deprecated the tendency in some quarters to speak of the principle of protection as an immoral principle. I do not know that it is altogether accurate to speak of any economic principle in the abstract as immoral. It is, perhaps, not immoral as an abstract economic principle, but, in my judgment, it is immoral and vicious in its results. You ask, why? A system of taxation that slaps the mother in the face for every child that is born into the world by adding a tax on the woollen garments with which she would clothe it; a system of taxation that takes eight times as much out of the pockets of the mechanic with eight of a family who is earning $100 a month as it takes out of the pockets of a bachelor with the same wages; a system of taxation that has always led to monopoly, to centralization of wealth and the impoverishment of the rural districts, the only source from which national life can be renewed,—why should we hesitate to speak of the results which accrue from protection as immoral? The evils of protection are as wide-spread as the territory in which it operates, as deep as the distress into which our people have fallen and for which it is in no small measure responsible. Then, having spoken of the tendency to speak of the principle of protection as immoral, he went on to speak of the woollen industry. I have no objection to a man defending the woollen industry or any other industry, provided that in so doing he does not attempt to pull the wool over the hon. members' eyes. He spoke of the condition in which the woollen industry finds itself to-day. Every one that is truly Canadian—and we are all truly Canadian—regrets that condition, and if that condition in itself had not been productive of compensating factors, it would be a catastrophe. He spoke of the number of skilled workers that were thrown out of employment, skilled workers that could not easily be replaced. I want to be fair; but it was news to me to learn that the modern woollen industry, with which I am more or less familiar, required workers to be trained over a period of years in order to operate successfully modern machinery. Let us, however, suppose that that is true, and that those workers cannot be replaced from Great Britain or from any other country. Let us suppose that they are trekking to the United States, as he contended they were, to the extent of one thousand. What about the agriculturists to-day who are leaving the land, agriculturists who have been anchored to the soil for generations, experienced men? Is this not even a greater loss? I have before me the figures, provided by the United States Department of Immigration, showing not only the number of Canadians who entered the United States during the year 1923, but classifying them:

Canadians entering the United States.

	Year ending June 30, 1923	July, 1923	August, 1923
Weavers and spinners.. ..	426	54	48
Farm labourers..	3,295	422	454
Bona fide farmers..	5,409	827	697

The hon. member for Vancouver Centre compared wages paid in this country with wages paid in Great Britain. I did not think the comparison was altogether fair, for this reason, that comparing wages paid in Canada with wages paid in Great Britain means nothing unless you determine accurately and scientifically the purchasing power of the dollar. He did not, however, fall into the old trap, the trap into which protectionists sometimes fall, but which was very carefully avoided by him, that is the trap that protection is of itself responsible for keeping up wages, because during this discussion he admitted that the wages in the woollen industry were due, not to protection, but to a statute passed by the Ontario government. This admission is in itself an evidence that the tariff does not of its own volition keep up wages. How can the woollen industry be helped? The woollen industry can be helped, it seems to me, by reducing the cost of living, by substantial all-round reductions in the customs

tariff, by releasing the natural resources and energy of this nation, and thus enabling us to build up industries that are truly indigenous. Without attempting to argue that two wrongs make a right, I want to compare the condition in which the woollen industry finds itself to-day with the condition of the province and the people of the province from which I come, a province with a population of almost 700,000 people. The provincial treasurer in his annual budget declared that the gross value of Manitoba's crops this year amounted to some $55,000,000; but I have in my hand a statement made out by the president of the Winnipeg Board of Trade, which goes to show that if you deduct threshing costs, elevator charges and transportation expenses you will find that the wheat, oats, barley, rye and flax crop of Manitoba this year amounted to $26,280,000 net. The total taxes amounted to $52,255,000. Let us take the estimate of the provincial treasurer that the gross value of the crop amounted to $55,000,000. It only meets our tax burden obligations which amount to $52,255,000. What about our private obligations, what about our cost of living, what about tariff taxation that does not reach the national exchequer at all?

When you go to those farmers in Manitoba to-day and inform them that the woollen industry in eastern Canada is in a precarious position despite the fact that they, in common with the rest of the country, have been subsidizing it for forty years, but that if they will only decide to pay anywhere between 30 and 50 per cent more for woollen garments and continue to feed the employees in the industry at a price less than the cost of production, then they will have the advantage of witnessing the upgrowth of the woollen industry in the Dominion, naturally, our farmers are dissatisfied. But when we come down here and attempt to bring some measure of relief to the people we have the honour to represent, our actions are described as indicating "indecent haste!" Of course, you should not be in a hurry to relieve people whose taxes this year are double their revenue; that would not be seemly. Not only are our actions described as indicating indecent haste, but we are accused of "political intrigue"—whatever that means—working beneath the surface of things, entering into unholy alliances; and by the press we are taunted with being more interested in our indemnities than we are in the people. Well, is there a member in this House who, if he is honest, will not admit that he is interested in his indemnity? But these charges are directed against us, not because hon. members believe them to be true. Deep down in their hearts they know such charges are false. They have not the slightest doubt in their minds with respect to our sincerity. This is mere political camouflage in an attempt to discredit us and build up the shattered remnants of the party to which they belong.

During the course of this debate we have been assured that Canada is in serious danger of being inundated with a superfluous quantity of wealth; it is threatening to overflow the country from the Atlantic to the Pacific and the flood is coming from every conceivable quarter. The hon. member for North Waterloo (Mr. Euler) does not fear the United States so much, but he has a holy horror of Germany and France and Italy. Surely these nations, because of the government's action with respect to the tariff during the last two years, are dumping goods into this country out of all proportion to what they ought to be permitted to send us! Well, let us take the case of Germany for the last two years. In 1922 we imported from Germany goods to the value of $2,041,016; we exported $4,409,547 worth. Not much evidence there of any inundation of wealth. In 1923—nine months—we imported from that country goods to the value of $4,115,295, and we exported $10,455,556 worth. The hon. member for Vancouver Centre (Mr. Stevens) was alarmed lest we should be flooded with French wines. Let us look at the imports from France. In 1922 they amounted in value to $13,482,005, and we exported $8,208,228 worth. In 1923—nine months—after that iniquitous treaty, we imported goods to the value of $11,749,515, and we exported over $13,865,000 worth. Let us look at the case of Italy. I think I remember the hon. member for North Waterloo referred to Italy. In 1922 we imported from that country goods to the value of $1,387,370; we exported $15,335,818 worth. Let us take nine months of 1923: we imported from Italy goods to the value of $1,430,284—let us keep our minds on the millions—and we exported $17,445,158 worth.

And now, Mr. Speaker, I want to turn to that perennial argument—the home market. The hon. member for Vancouver Centre during the course of his remarks turned himself completely in this direction. He admitted that he could not hope his thoughts would enter our heads—the natural inference I drew was that our heads at least were not empty—but nevertheless he discussed the home market. I do not want to be too severe, I do not want to indulge in castigations, but I must frankly

state that I do not believe for a moment the hon. member expected us to take him seriously. I say that because I have too great respect for his intelligence and for his practical knowledge of modern business and its intricacies to think for a moment that he expected us either to take him seriously or to accept his arguments. Now, what were his arguments? Briefly they were these: That the Dominion of Canada should look forward to a time, by steadily developing and building up the home market, when it could practically absorb—not wholly but practically absorb—all the wheat produced in this country. I hope this is a fair statement of his case, because I do not wish to misrepresent him.

Mr. STEVENS: Will the hon. member permit me to observe that that is not a fair statement of my case?

Mr. HOEY: It is exceedingly difficult to know just what a fair representation of his case would be; but that, in my judgment, was the position in general terms, that he took; that was the impression left upon my mind and, I think, upon the minds of those with whom I associate in this section of the House. I want to point out to the government, and I do so in all seriousness, that if this is the policy the Conservative party in this country intend to pursue, either in the immediate or in the distant future, then that fact in itself ought to have a tremendous influence upon certain expenditures that the government are about to make, and the first of these expenditures is with respect to the development of the harbour at Vancouver. The hon. member does not believe in the importation of goods into this country—that is a view to which I shall refer in a moment—and he looks forward to the time when there will be no necessity to ship wheat from Canada in large quantities. Then what in the name of Heaven do they want a harbour at Vancouver for? Do they want it for the incubation of mermaids? Do they want a modern pool of Siloam out there for washing and cleansing discredited politicians? I want to say that I was interested in the developments at Vancouver. I discussed the matter at some length with the hon. member for Marquette (Mr. Crerar), whose firm contemplates making certain expenditures there. But if I believed that either in the immediate or in the remote future Canada was apt to absorb her own wheat crop, then I would absolutely speak against and vote against this appropriation.

[Mr. Hoey.]

Not only are we contemplating expenditures at Vancouver—and I trust that the people at Vancouver will grasp the significance of the philosophy that is being disseminated in and from this Chamber by their representative—not only are we attempting to build up harbour facilities there, but we are seriously considering the most pretentious and certainly the most costly project ever contemplated by the people of this country, the deepening of the St. Lawrence waterway. For what purpose? In order to facilitate the transportation of grain, not only during the immediate future but for a century, perhaps, to come. Well, if you look forward to the time when this country ought to consume its own wheat—and I put this seriously to the Prime Minister and to the Acting Minister of Finance (Mr. Robb); I can see evidences of interest in his countenance—if the policy advocated by my hon. friend has even a semblance of truth, then why not spend the money that you are going to spend at Vancouver and that you are thinking of spending on the St. Lawrence—why not spend it in dumping immigrants into this country? That is the logical outcome; that is the point to which his reasoning must lead us.

Oh, of course he would let certain goods come into this country. He did not specify them, so I can only imagine just what goods he would let in. He is opposed to the importation of French wines. I have thought the matter over and I presume that he would not be opposed to bringing balloons into this country. Then visualize for yourself six or seven ocean liners sailing along the deepened St. Lawrence, loaded with balloons for western Canada! Of course he would let raw material into this country—raw material from where? From the countries where there is cheap labour and where they could turn it into the finished article more cheaply than we could. Of course he will argue that he does not look forward to a time when we shall be wholly able to consume our own wheat, and that leads us back exactly to where the United States is to-day, a country that last year exported a litttle less than one-tenth of its wheat. It leads us back to the position not only of the agriculturists in the United States but to the railroads in the United States, many of which are almost bankrupt. Mr. Speaker, I challenge absolutely and positively his statement that the power of consumption of wheat in modern civilization is static at 650,000,000 bushels. The best English statisticians, the best English economists, assure us to-day that wheat consumption in Europe is one-third below normal. If you exercise your reasoning

faculties for a moment, you can easily understand that on a continent where thousands are out of employment, where there is destitution and squalor and poverty, particularly in the protected countries over there, wheat consumption is in no sense normal, and if in Europe it has been static over a period of years, that condition has been due to the shattered purchasing power of the European nations. While the number of wheat consumers in modern civilization cannot be increased—not by acts of parliament—you can immeasurably increase their capacity to consume. A question was put by the hon. member for Battleford (Mr. McConica), and it was this: If you bring ten millions of people from Europe and put them in this country, do you not deplete Europe's consumption power? The question, Mr. Speaker, was not answered, because in my judgment it is absolutely unanswerable, and I think I can explain why. Although it was not answered, that does not mean that the hon. member did not make an honest attempt, finding himself in an awkward position, to reply to it, and I thought as I sat here quietly and thoughtfully, what an ingenious answer! First he said that the people drawn from such countries would not necessarily be drawn from wheat consuming nations. Now, if he had not put in the term "Europe" there I would have said that he had become converted and that he was in favour of bringing orientals to this country, but I cannot believe that. Well, if he does not belive in bringing in orientals, can he tell me a nation in Europe that is not a wheat consuming nation?

Mr. STEVENS: Yes, lots of them.

Mr. HOEY: There is not in Europe, Mr. Speaker, a single nation the people of which do not consume wheat, and to stand up in this room and contend that there is is an insult to the intelligence of the men sitting here. That term "wheat consuming country" is occasionally used in the grain trade. It is a misnomer; it is a meaningless term in the grain trade, and it has no place here. When it is used in the grain trade it is used to denote countries that consume wheat, but do not import wheat. Let us suppose that we import from Russia five million people into this country. You increase the consumption here, of course, but you deplete the con sumption in Russia, and thus enable Russia to put that much more wheat on the Liverpool market.

The second explanation given was this, and it is perhaps more ingenious still. The second answer—shall I call it an evasion?—was this: That the exodus of people from Europe to the United States or to Australia or any other country is more than offset by the increase in population. I have not examined the figures; I did not think it worth while. But if those people did not leave Europe at all, would not the population increase? To say that the exodus of people from a country, or the mere distribution of the population, by emigration or immigration, has anything at all to do with the gradual propagation of the race is positively absurd. Look where the reasoning leads. Here is a young man in England thinking of getting married and he says to his sweetheart: "I think we can get married now because I saw by the papers the other day that several carloads of people have left for Canada." That is the conclusion to which you are driven; there is no escape from it. I will admit this: The hon. member for South Winnipeg (Mr. Hudson) is here. He has read and studied along this line a great deal more than I have. I do not know that he is a Malthusian, but I know that he has studied quite a lot of Malthusian works. I will admit that economic factors to-day have some influence on the propagation of the race, particularly amongst the better-off people, but certainly economic conditions have no influence on the propagation of the race amongst the great masses of European peasants from whom we draw our immigrant population. And so it seems to me that we are brought back to the position in which the United States finds itself to-day, that is, we cannot positively hope to build up the home market to a greater extent than they have built it up.

The hon. member fell into the same fallacy again when he referred to the one thousand employees in the woollen industry who had trekked to the United States and ceased to consume wheat in Canada. Of course, but they trekked into the United States to consume wheat there, and to the extent that they consume it there they will reduce the exportable surplus of the United States to Liverpool.

Now in reply to an interrogation with respect to the United States the hon. member attributed the position of that country to two factors: First to the fact that the United States was an exporter of grain, and second, to the depletion of the soil in that country of its plant food content. Now that is the exact position to which we are drifting in this country, to the depletion of our soil of plant food content. This is the effect in the Prairie West:

The effect of a generation of cropping to wheat has been to reduce the nitrogen of the surface seven inches

of soil by 20 to 30 per cent, the phosphorous content up to an equal amount, and the organic matter by from 20 to 50 tons per acre. In other words, in a generation more than one-quarter of the potential wealth of the surface soil has entirely disappeared.

Then if we are rapidly drifting to the condition of the United States, where our soil will be depleted, where we shall still have to export at least a quantity of our wheat, how can we hope to be in a better position than they are in when we reach that stage? Now what is the position of the United States to-day in this Protectionist millenium? Secretary Wallace declared recently that between 1920 and 1923, 603,000 farmers in fifteen wheat-growing states one-quarter of the entire number were either evicted from their farms under foreclosure proceedings or remained on the land through the leniency of their creditors, and the return net drainage of population from farms to city during 1922 amounted to 1,100,000 persons.

Now what of the remedy? What do the United States people at this time say with respect to the problem confronting them? I had the pleasure of listening to two magnificent addresses delivered by Secretary Wallace in Kansas City last fall, during the course of which he attempted, and attempted very sincerely and thoughtfully, to point the way out. Just about that time a noted American economist and journalist, Mr. John F. Sinclair, published an article and copyrighted it in the United States, which was very favourably commented on, and I think in a large measure endorsed by the American people. I am quoting now from the Kansas City Star of October 12, 1923. Mr. Sinclair has this to say:

Europe is trying hard to cut down her buying from the United States. Her decreasing purchasing power is also a large factor. In 1919 Europe purchased 332 million pounds of beef from us and a little less than 4 millions in 1922. Europe purchased 1,238 million pounds of bacon in 1919, but only 350 million pounds in 1922. What happened? The American livestock industry became utterly demoralized, and the value of our livestock dropped in this time 3,611 million dollars.

Exports of United States Fall

In 1920 the total export and import business of the United States totaled 13,342 million of dollars; it went down to 10,170 million dollars in 1921 and dwindled to 6,379 millions in 1922. The record for 1923 is expected to be worse.

Business is slowing down. Farmers and livestock men have as a result been ruined by the hundreds of thousands. The disease of Europe has spread to America. The manufacturer will be next to suffer.

Production is low now, but it will continue to get lower and lower, until, forced by stern necessity, America will call a world's economic conference which will not adjourn until reparations, war debts, military expenses, and the trade barriers of the world are re-adjusted. We have much to lose, but a great deal more to gain.

It is not a political league of nations that Europe needs, it is not a court of arbitration either. It is an economic United States of Europe that she needs, and must have.

Cut away tariff barriers, cut away military expenses, cut away the impossible debt charges, restore the wrecked international machine for trade and good will, and the average man in the world, now so discouraged, would feel the effects immediately. That to me is the all important next step.

Mr. Speaker, I want to make this suggestion, and I do so in all earnestness. Reference has been made there to the need for an economic conference. Thousands of Americans all over the United States are discussing the practicability of such a conference. I want to say to the Prime Minister what could be more natural, what could be more appropriate, what could be more fitting than that Canada—representing, as she does, the two great races, the British and the French, the two nations that have always stood for the best in human civilization—that Canada, as the interpreter between the old world and the new should make an attempt, a sincere attempt, to call the world economic conference and have that conference in the capital of Canada, in the city of Ottawa, at the earliest possible date.

And then I want to turn from this haven of rest, that great protectionist country the United States, just to look for a moment at poor downtrodden free trade England, and I want to quote from a speech recently delivered in the House of Commons in London by Mr. David Lloyd George in reply to the then Prime Minister, Mr. Stanley Baldwin:

Instead of attempting the settlement of Europe, the Prime Minister proposed to devote his time to tearing down the system which, with all its defects, accumulated the wealth that enabled them to go through the most exhausting war this country ever waged, enabled them to advance £2,000,000,000 to the Allies,—

Their protectionist Allies.

—enabled them to be the only country whose credits would be accepted for £1,000,000,000 by the greatest protectionist country in the world—the United States of America—and enabled them to restore the credit of this country after all the exhaustion of the war, when every protectionist country in Europe had its currency and its credit rushing down with Gadarenian fury.

That is the position, Mr. Speaker, of England to-day, of free trade England, when contrasted with the position of the United States.

Reference was made during the course of this debate to the position of Russia, and I want to deal with that very briefly. We have no doubt at all in our minds as to Russia's ability to produce wheat. I think we know what she can produce this year, I think we know fairly well what she can produce next year, and for several years. Men in the business and economic life of this country take all these factors into consideration from time to time, and obtain the best information pos-

sible on these questions; and let me say to my hon. friend for Vancouver Centre (Mr. Stevens) that there is no doubt at all in my mind as to Russia's ability to come back. The Russian government has been recognized by the British government, a recognition which in my mind was long overdue. Personally I could never see the sense of failing to recognize the nation because she repudiated her debts, while at the same time recognizing nations that had slain our fellow countrymen. The recognition of Russia by the British government is significant. If there is any truth at all in the contention of Secretary Hughes, of the United States, that the Russian government is more interested in the spread of propaganda than it is in the rehabilitation of its people, what does that mean? It means that sympathetic relationships must undoubtedly exist at the present time between Russian statesmen and British statesmen, that the masses of both countries, pulsating under a new sense of freedom, will be bound to one another by a thousand and one intangible cords that have worked their way into the hearts and the affections of both peoples. I cannot forget, Mr. Speaker, that it was to Great Britain that Peter the Great went for counsel and advice, prior to the establishment of the city of St. Petersburg among the swamps, and I think it is to Great Britain that the Russian statesmen will turn in this crisis. Furthermore, Russia is sure to take advantage of the British Exports Credit Act in an attempt to buy largely from Great Britain those manufactured articles that are essential to the rehabilitation of the nation; and what could be more natural, or what could be more reasonable, than that Russia will attempt to pay for these commodities with wheat? Now, where does that lead us? It leads us to this conclusion—that the price of wheat on the Liverpool market, whether we want it or not, will have a tendency in the years to come to go down rather than up. That means that there is a grave danger of Canada being driven off the Liverpool market unless she can reduce the cost of producing wheat in this country. Is not that logical? Consequently it seems to me, if we are to retain our position as a wheat exporting nation to Europe, every handicap under which agriculture labours to-day that can be removed ought to be removed. And further, the time has come in the history of this country when we have got to choose betwen the basic industry agriculture and the exotic industries that we have been attempting to build up unnaturally, an attempt which has failed lamentably and miserably. If our experience of the past fifty years has not taught us that then we are indeed, and in truth, stupid pupils. But there is another factor. It seems to me that the eventuality as far as Russia is concerned could be, to an extent, avoided by drastic increases in the British preference that would swing English trade in this direction. Reduce the cost of living in this country, make Canada a cheap country in which to live, and a cheap country in which to manufacture. Swing British exports in this direction, and what could be more natural than that we would attempt to pay for these imports with agricultural products. You may say "But have you no regard at all for the Canadian workman?" Yes, and if my hon. friends to my right will turn to the British records, published by the British Board of Trade, they will find that in a ten year period, 1904 to 1914, there was only one year—1912, the year of the great coal strike—when increased imports did not mean increased employment in England. Make it a cheap country to live in, release the people from the bondage of protection, and the economies that they will effect in this way will be expended on other necessities of life. What chance have we, Mr. Speaker, of obtaining drastic increases in the British preference? Frankly, I am not optimistic. I have not much quarrel with the hon. member for North Waterloo (Mr. Euler) who, in a cool, calm, somewhat austere spirit said the other day that there was not much difference whether we were put out of business by our American cousins or our British brother, provided our industries were destroyed. That is a perfectly logical position for a man with his philosophy to occupy, and if that were the attitude adopted by politicians campaigning in this country at election time, I would have no quarrel whatever with their position; but what is the attitude assumed at election time? I was a young man in this country during the days of the reciprocity campaign. I had come from Ireland but these people outbritoned the Britishers. From every political platform words were uttered such as these "A British subject I was born, a British subject I will die!" And those who had the temerity to question their judgment were described as disloyal, people who had grown up on a different soil, annexationists, lacking in Canadian patriotism. Well, what is the attitude of these men who claim to have a monopoly on the British connection? What is their attitude with respect to an increase in the British preference? Those men who preach patriotism for political purposes from the platforms of this country from ocean to ocean, who give out as their first hymn "Rule Bri-

9 p.m.

tannia", and as their closing hymn "God save the King", and choose as their text, "Buy only made-in-Canada goods", and who, if they were straightforward, would declare to their hearers during their sermons "As far as the East is from the West, so far have we removed your possessions from you". Loyalists, shall I call these men? They remind me of those bats that inhabit certain caves in Kentucky, of which scientists speak, bats that love darkness rather than light. Because they chose darkness, nature has robbed them of their power to see,—not of their eyes, their eyes remain, but they have lost their power of vision. There are other ways and means, but let me say that if the British preference were drastically increased to draw imports this way, what would be the effect upon Russia? Would she not still continue to be a competitor? She would. But with our cost of production reduced here, we would have a chance of competing successfully with her. But there is another factor. If the drastic increases in the British preference took place immediately, the tendency in Russia would be to go in more for diversified farming rather than wheat growing. The stage of her development lends itself to that form of agriculture, and frankly I cannot see the sense or reason of shipping live stock from Alberta or Saskatchewan to Great Britain; we cannot do it profitably, while at the same time they are shipping wheat from Russia to Britain. Why not have a reversal of the order of things? Why not, by a rearrangement of trade, ship wheat from Canada, and have live stock shipped from Russia? There are other ways and means that can be evolved; not only can the cost of production be brought down by legislation, but it can be brought down by co-operative effort. I want to say with respect to the co-operative project that it is on its way in western Canada at the present time. Whether it is successful or not, never did the western agriculturist attempt anything more worthy of him, never did the western agriculturist attempt anything more in keeping with the spirit and demands of the age, never did he attempt anything more ethical than when he attempted, as he is attempting now, to take this staple commodity from the producer and place it on the table of the consumer without enhancing its price by the superfluous intervention of unnecessary middlemen. I want to say that there are certain compulsory features about the present wheat pool that I dislike, but let me express the hope that, in the course of time, those compulsory features will be relegated to the scrap heap, and that this pool will go on until it can establish a relationship between the co-operative exporting institutions in the Old Country. What could be more natural than that this great co-operative pool, marketing her commodity to the extent of $400,000,000 annually, should ultimately establish relationships between co-operative organizations in the Old Country? I think it would establish those relationships now were it not for the tariff barriers that keep British commodities from this country at the present time.

Mr. EULER: May I ask a question?

Mr. HOEY: Yes.

Mr. EULER: I understand from the hon. member's statement that he is in favour of the British preference. I ask then how could he consistently say that, if he is not in favour also of tariffs against other countries? Because a preference, I would say, must assume that there shall be a tariff? You cannot have a preference unless there is a tariff.

Mr. HOEY: My reply to that thoughtful question is simply this, that I am dealing with conditions as they are,—

Mr. EULER: That is what I was doing.

Mr. HOEY: —not as I would like them to be.

In conclusion, Mr. Speaker, I want to raise my voice in this Chamber in protest against a minority group holding out threats, sounding a note of warning against this government if it pursues a certain policy. I want to raise my voice in protest against the minority group in this Chamber posing as anything but the remnants of a party. I want to raise my voice in protest against their having a monopoly or a right to speak for the Canadian people;—without a single representative from Alberta, Saskatchewan, Manitoba, Quebec, Prince Edward Island, and with one lone lamb from Nova Scotia, posing to speak for the people of Canada, issuing notes of warning to the government as to what will happen. I admit that the Conservative party shows evidences of coming back, but coming back with reduced numbers and with ranks still further depleted. They have increased their numbers, it is true; but I read in the press the other day an intimation where certain jails and penitentiaries were increasing their numbers, and I did not take that as an indication of Canadian progress. This government has no other alternative than to pursue the policy upon which the Liberal party and the Progressive party were elected to this House—to contend otherwise is to repudiate the very principles of democratic

citizenship—and to carry out the programme upon which we were elected. If it is carried out courageously, we need have no fear. But if it is approached timorously, timidly, fearfully, even though it be productive of a certain amount of good, it will be repudiated. The people of Canada to-day are looking for a Liberal programme and a Liberal policy. I have not been approached directly or indirectly by any member of the present government, by any member of the Liberal party as to what my attitude was or is going to be; I have never received a letter on the question; I have never written a letter on the question; I stand to-night as completely detached, as free and untrammelled from any party in a partisan sense, as the breezes that sweep the prairies in the district from which I come. If the government is prepared to go ahead with its programme, I am prepared to support it, not only on the tariff question and without qualification, but on any other legislation that it introduces that is in harmony with the programme upon which I was elected and which, I trust, will be carried out. The hon. member for South Wellington (Mr. Guthrie) referred to the disappointment that would be felt throughout the country by those who looked forward to the creation of a new party, to find a party that was about to be merged. I want to tell the government to-night that the people of Canada at this time are not at all interested in party triumphs, neither are they interested in change of governments. What they do want and what they are insistently demanding is a change of policy, and they do not care from what source that policy may come, provided that policy is in the interest, not of one section or of another section, but of this great, young and developing nation.

Mr. HAROLD PUTNAM (Colchester): Mr. Speaker, I fully realise the disadvantage, which I must bear as cheerfully as I can, the pronounced contrast, of having it fall to my lot to follow a speaker so very entertaining as he who has just resumed his seat. That hon. gentleman (Mr. Hoey) certainly combines five or six very valid factors which constitute him easily one of the most acceptable speakers in this parliament. Whether or not to-night he was in possession of that moderation which is almost always so characteristic of him, I will say this, that all his aggressiveness and all his pointed, but unpoisoned, humour were more than justified in exposing the immoderateness of the position of the "neck or nothing" high protectionist in this country and in this House. In so far as they represent some small wing of public opinion—and I say this in kindliness—they are to-night a distinct barrier across the path of all the major numbers of true and patriotic Canadians who are looking for some honourable compromise upon this crucial question of the tariff.

Hon. members in this House are generous as to the latitude, range and scope of topics which they call in order in this particular discussion, and I hope my remarks, perhaps rather rambling, will be at least technically in order, and I also hope, for the good of my auditors, that they shall not be of undue length. I did not hear, but I read the speech of my colleague, the hon. member for Cumberland (Mr. Logan). He reviewed with his masterly fidelity the rights and aspirations of the Maritimes, a question and a subject which may possibly appear to stale a little on the ear of those in this part of the Dominion, but which is still dear to us and a matter of trust. The hon. gentleman did so well that I do not propose to review what he reviewed with a masterful hand, except to refer to one subject, unimportant, perhaps, in one sense, and yet important in another sense, a subject which relates to the honourable and successful management of our great National Railways in this country. In my home town, which is a strong railway town, there are to-night three old employees of that road, who were old employees of the Intercolonial, and they stand under the stain of a dismissal by this railway board. The charges include irregularities and the grave claim that these men were pilfering money which they took from passengers by way of railway fares. I need scarcely say that if the charges were true, such a man would deserve little or no consideration. I need however, scarcely say that it will be a truism to every lawyer at least in this House that on a charge so serious the proof should be absolutely satisfactory and convincing and obtained in a thoroughly judicial way. These men are men of splendid reputations, men with such a standing in their community that those who know them would be sorry to believe they would do a single thing that was wrong. I read over the typed evidence in the case of the investigation which resulted in one dismissal, and I found that the method of trailing these men was to put spotters, as you may contemptuously call them, or detectives, if you prefer the more dignified term, upon their trail, and upon their train to clandestinely watch their actions, to see if the appropriate document was punched and handed to the passenger in cases where the latter did not obtain a ticket at the railway depot. They

made their investigation like wolves, in a pack, and claimed that they found that some of these old and honoured conductors had held back and appropriated fares. The principle is the same, whatever the amount involved. Well, Sir, at that investigation only one of the detectives appeared and manfully faced the conductor whom he had accused. In the case of the other spotters, though they, the deponents were not there, their bald affidavits were used to convict and dismiss the accused.

That is the state of affairs we have there, the railway board hiring these detectives to trail the conductors, securing from them affidavits to do their cowardly work while the deponents were shooed away. Instead of having every accuser face the accused, with the right for each to look the other in the eye, and for the conductor or his friend or his counsel to cross-examine his accuser, and so enable the investigator to judge of the credibility of the opposing witnesses—because the conductors denied the charge—and make a judicial finding, we have the condition I have described.

I complained of the action to high officials of the board, including Sir Henry Thornton himself. I received an answer from them and from him which was neither satisfactory nor judicial in its tone, and I find it my duty, as the hon. member for Cumberland (Mr. Logan) has found it his duty, to put this matter before parliament. I hope no hon. member will say that this business is unimportant, and that the owner of no heart is so callous that he would advise us to go back to the board, and if we cannot get justice there, that that is the end of it. The management of this great system of railways by a board of directors is as yet in its infancy and upon trial, and the board itself is but a child of this administration, indeed of this parliament, and therefore I ask the sympathy and the interest of hon. members in this connection. Surely we are spending money enough on a large legal staff to advise the board in all the intricacies of its work wherein questions of law or equity arise, and I hope these highly paid legal experts will be able to build up a proper British system for investigating any alleged wrong-doing by the employees of the road. It may be said that an employer has the right to dismiss his employee. But these cases are not parallel with the ordinary case. Where an individual or private firm dismisses an employee he suffers no public injustice, there is no undue publicity, and the man can go off and, whether guilty or innocent, has a fair chance to get a living at some other work; but to dismiss an old and honoured conductor of a publicly-owned railroad casts suspicion upon him all over the country, and he has no chance of recovering his reputation for honesty or of securing some other employment. Worse still, in this case the railway board say the dismissed conductor shall have no claim to any benefits of the pension fund to which he has contributed for many years and in absolute good faith. I say that these men should have a new trial, or get the benefit of the substantial doubt that exists and be restored to their positions; or that at worst their pension rights should be restored to them.

As a Nova Scotian, Mr. Speaker, I feel a sense of sorrow for the illness which is responsible for the absence from this House of the right hon. Minister of Finance (Mr. Fielding). The reports from his residence concerning his health are, I believe, decidedly cheering. We know that he is paying the penalty for having exerted his patriotic energy too long after that good grey head which all men know became white with the blossoms of the almond tree We do trust, in fact we have a lively hope, that even this session he is going to be with us for a while. We all sincerely hope that, restored to all the health which might be expected of one in his somewhat advanced years, he will long enjoy a period of comparative rest wherein this country shall still have the benefit of his courageous and sane optimism and of his ripe experience and sage advice.

I equally regret that the hand of illness is upon the ex-Minister of Justice (Sir Lomer Gouin). Fortunately his illness does not seem to be so severe and we have the prospect of seeing him back with us very soon in this House. The hon member for New Westminster (Mr. McQuarrie) the other night indulged in a joke by relating an anecdote to the effect that when the ex-minister was asked how he was, he said he was sick, but not half so sick as when he was administering his department. Well Sir, I think we could name two or three at least of the fifty hon. members in the Conservative group who would not feel the least bit sick if they saw the slightest possibility of succeeding to the portfolio of the Minister of Justice. But whether the country at large would not have some qualms of conscience and some warning qualms of the stomach in the happening of such an event I think is entirely another question.

I was led to reflect on the record thus far of our new Minister of Justice (Mr. Lapointe) when I heard the magnificent speech to which he treated us the other afternoon, and I am sure that in him the Liberal party and the country at large have found a worthy successor to his immediate and distinguished predecessor. Higher compliment I could not pay.

As a comparatively new member in this House, I want to personally welcome those who have taken their seats here since last session. I do that without prejudice to my view of the fallacy of the cause which may have sent a couple of them here. In the case of the hon. member for Kent (Mr. Doucet) I agree with the talented member for Brome (Mr. McMaster) that the newcomer exhibited no nervousness in the making of his maiden speech. But I think he should be congratulated upon his good fortune in not having his fire returned by hon. members who sit around me on this side of the House, because I must say that he made a very questionable use of the white flag in prefacing his remarks by a request that we accord him the concession of consideration because it was his maiden effort, and then proceeding to launch an attack upon us which, to put it very mildly, was not as free from partisan extravagance as he was physically free himself from the demon of nervousness. But, Mr. Speaker, I notice he has left his seat, and therefore I shall refrain from half a dozen other observations which I intended to make respecting his initial speech in this chamber.

The hon. member for Vancouver Centre (Mr. Stevens) in the course of his contribution to this debate put on a very earnest look—and I assume he was really earnest—and said that there was a distinct impression of anxiety throughtout the business world of the Dominion as to an impression that we were actually going to reduce the tariff. Well, he may call it anxiety in the business world, but I would call it a rattling of the dry bones of those infant industries which, with nearly forty-six years over their heads, refuse to grow up and stand alone.

I was interested in the speech of the hon. member for Fort William and Rainy River (Mr. Manion) the other day. The hon. member has an honourable military record and I am entirely sincere in congratulating him on that. The hand that for our country fought, whether it grasped a sword, whether it helped to heal the wounded, whether it ministered to those who died in battle-harness, is a hand I hope that as a citizen of this country I shall always properly honour. But my only regret is that the hon. member from that constituency is by no means as good a statesman as he is a warrior. He made an exceedingly partisan speech from the purely Conservative standpoint. One illustration he took to prove that the Conservative party was actually more democratic than the Liberal party was this: He said that we should go to the country; that his party went to the country when they had a majority of twenty-five over all. Well, many a bankrupt has quite a showing of goods in his shop, and the way to get at his real condition is to foot up his liabilities and his assets. They had that asset of twenty-five or thirty members and they had this liability facing them: just as often as they opened a constituency they would lose it by an overwhelming majority that indicated unmistakably the feeling of the people. I think the picture of Medicine Hat was one of the last that came into their dreams; and then, like a man doomed to cross a river where the ice was thin, they got into that state where they did not know whether it was safer to go on or to turn back. They actually opened another county; they spent the people's money in issuing the writs, in engaging a returning officer and in getting the machinery ready. But all this was done as a camouflage with regard to the time of bringing on the general election; either that, or it was done in a state of hysteria when they did not know their own mind. Well, that by-election had scarcely got under way when it was submerged by the larger issues of a general election. Yes, they had a majority of twenty-five or thirty when they went to the country. I am reminded of an occasion when I was out in a boat on Cobequid bay, a branch of the Bay of Fundy. Joseph Howe once told the people of Nova Scotia to boast of their province, that if they could say nothing else for it they could say that it had the highest tides in the world I am a poor sailor, and I found myself in a small, frail boat at the flood tide. with too many in it even for calm weather. The conditions were such that our lives were actually in danger. Not far away from us was a sand bar a few acres in extent which was rapidly becoming covered by the stormy water. A little girl in the boat pleaded with her father to run the boat over to that island in the sand, which, as all except her knew, would within an hour be entirely submerged by the tide. Of course we did not take that advice; we made for the shore, and by good luck we got there. These gentlemen do not deserve any particular thanks for choosing no

longer to stand upon that majority of twenty-five or thirty, around which there raged the tide of public indignation, but rather to go to the country. They took a chance, as we did, to get to the shore of a new lease of power, and, as history has shown, they went down. But their position with that majority of twenty-five would have been just as untenable and as ridiculous as ours would have been had we disembarked on that little area of sand in the path of the tide.

The hon. member for Fort William and Rainy River has told us that what this country needs is a redeclaration of the National Policy. I am sure that anyone who has that idea is behind the age; in fact, Rip Van Winkle himself was up to the minute in comparison with him. A redeclaration of the National Policy? Why, you are going back to something that had more than a fair trial and that was more than a colossal failure. A redeclaration of the National Policy? The country will know that that implies an absolute repudiation and repeal of every vestige of the British preference. I remember the days when the National Policy was dragging on its weary length, when I was a young man; like Micawber we were waiting for something to turn up. At every Tory political meeting to which I would go the statement was made that our foreign trade was increasing literally by millions, and this was put forward as a wonderful argument. I to-day took the trouble to get the figures on that, and I find that with eighteen years of trial of the National Policy, from 1878 until 1896, the total trade of Canada increased from $169,000,000, in round figures, to $221,000,000. That was an increase of about $50,000,000 which was flaunted from every Tory platform in those days and was put forth as proof of the success of the National Policy. But what was the increase during the next fifteen years under the Laurier administration, which saw the institution of the important incidence of the British preference? I find that the total trade of Canada increased from $221,000,000 in 1896 to $742,000,000 in 1911, or, roughly, ten times in fifteen years the amount that it had increased in eighteen years under the National Policy when it was functioning under the supervision of its own authors and finishers. I cannot for the life of me see any reason for turning back the hands of the clock and making a redeclaration of the National Policy. I suppose every one of these forty-six year old infant industries would then want to be rebaptized and to assume the state of newborn babes. I can imagine that in future generations there would be a recurrence of this condition. Suppose the tariff were established as at the time of the National Policy and there were a gradual policy of attrition in respect to customs duties in response to public dissatisfaction. The future beneficiaries of that wonderful policy would come back to the parliament of that future day and say, "We want a rebaptism; we want a redeclaration of the National Policy; we want a second or third life, a second or third chance." If it were the case of a cat I could conceive of her modesty coming to an end at about the ninth visit, but with the insatiate greed of the high protectionist I am afraid the process would be perpetual.

The hon. member for Fort William and Rainy River—and I will give him credit for it—was decidedly original in two or three of his remarks during the course of his address. He told us boldly, and it was a complete reversal of the whole song that we have heard sung by his political associates since the election of 1921, that the country has been plunged into the alleged slough of despond in which it now flounders because, chiefly, we did not carry out our pre-election promises. I think the thing was all the other way. That is, his party that said our promises were utterly unsound and ridiculous and that their fulfilment would be the ruin of this country. It reminds me of the little boy who was asked by his school teacher to write an essay upon Pins, and he proceeded to write a little essay on the subject. His first sentence was: "Pins save thousands of lives." "Why Johnny", said his teacher, "How do you make that out?" "Oh", he says, "it is because people do not swallow them." And I suppose that if the hon. member had lived in Bible times he would have said that the only sure way to compass the death of John the Baptist would have been for King Herod to deny the dancer when she asked for John's head upon a charger. I say that the avoidance of the fulfilment of our promises, according to the Conservative party, was the salvation of the country.

It makes me just a little bit doubtful in so far as I can keep my mind from confusion in that state of facts, whether after all his heart really turned away from those sound economic propositions which were his when he was advocating that we should accept the proffer of reciprocity from the United States. He tells us that he went back on that, and he quoted Lincoln for his authority. I am afraid his authority was very far drawn. He professes to have seen the light like Paul. I do not think it was sun, moon or stars. It may have been the light that never was on sea or shore; or the light that failed. As for giving

us any satisfactory answer or any semblance of a reason, he did nothing except to quote Lincoln from this long distance of time. I listened in vain for any real explanation of his somersault.

The hon. gentleman did tell us that we must look to the United States as a great example of the success of protection. Well, Mr. Speaker, I think we have said many times, and I think it is a truism and an axiom, that the United States herself is a great example of the success of free trade. I do not care what technically you call the tariffs which from time to time are found upon her wide walls; she has a great diversity of soil anl clime, f fruit and grain and mineral and fish, of resources vast and varied. She has the advantage of a seaboard that is wonderful. I say that the United States is a great example of the success of free trade. I do not think there is an area in the world which can boast in the same mileage such splendid resources, or such a splendid example of the success of free trade as the United States itself. We cannot adopt any parrot rule and say that because protection is good for the United States it is good for us. Our situation is vastly different, as I would like to show, or rather to review, for every sensible member knows it. The cases are by no means parallel; in fact, they are very dissimilar.

As I said before, the hon. member for Cumberland (Mr. Logan) has so well dealt with the Maritime provinces that I am not going to weary you with that subject, except to quote a few figures of population which I think raise a prima facie case that we were not given a fair deal in the device of confederation. In 1871 the population of Ontario was 1,620,851, and in 1921 it had increased to 2,933,622, or an increase of more than 80 per cent; Quebec's population in 1871 was 1,191,516, and in 1921 it had increased to 2,361,199, or over 100 per cent; Nova Scotia's population in 1871 was 387,800, and in 1921 it had increased to 523,837, or an increase of less than 40 per cent; New Brunswick's population in 1871 was 285,594, and in 1921, 387,876, or an increase of less than 40 per cent; Prince Edward Island's population in 1871 was 94,021, and in 1921 it had decreased to 88,615, or about 5 per cent. Without wearying the House I wish to contrast the difference between the Maritime provinces and the central provinces by this test of increase in population, and I say that on the face of it, it raises the presumption that confederation is economically a comparatively bad thing for us. In putting this claim before you I ask this administration and this parliament to seek carefully for the remedy, and for the British principle of fair play and of even-handed justice to all. I was going to make this suggestion, Mr. Speaker: It is possible when we find ourselves up against the serious conditions that obtain in this country at the present time that we are now paying the penalty for having been a little too boastful of our own great country. I would be the last in the world to disparage the natural greatness of Canada, but we must take a sensible and a judicial view of these matters. We live side by side with a country upon whom a munificent Providence has seen fit to shower natural blessings which are even greater than ours. Take the climate, for instance, I admit that a man from a cold country may prefer our cold and rigorous climate, but a man from the average country of Europe prefers that of the United States, and that is one of the reasons why the early settlers chose to settle there, and from that nucleus the United States has built up a population of about one hundred and ten millions, whereas we have only the paltry number, by comparison, of eight or nine millions. They can grow corn. We have the soil for that too, but we have not the sun. Our quantity of corn is almost negligible, but we all know what an immense natural asset that product is to the United States in an agricultural sense. They can grow cotton, an enormous natural asset to them, while we, of course, cannot grow any of that. When you come to fruit, it is true that we have some of the finest-flavoured fruit in the world, but in quantity it is small compared with the gigantic areas of fruit that are to be found in California and Florida, and we are glad to import their fruit despite the plaint the other day from the right hon. leader of the opposition. Take the rainfall. In 1918, when the hurricane of the war had reached its height, we were disposed to claim that this country was the granary of the Empire, but in that very year Providence saw fit to withhold very largely the rainfall from our prairies, and He saw fit to give the United States their rainfall, which is usually more dependable than in our great West, and it fell to the United States to help feed England whose tenacity was being tried to the utmost, and we had a very small part in that particular work for that year. Take our seaboard. We all know when we look at the map that we have a comparatively short seaboard on the Atlantic, and it is very jagged too. In winter the greater part of it is in the grip of the ice king, but that is not so with the Atlantic seaboard

of the United States. The great ships turn their prows for the United States as coming to a climate which is just a little bit warmer and more comfortable, and to harbours which know no ice and which average a better approach than they find on our shores, and the great freighters and the ocean greyhounds put into United States ports, and it is hard indeed to persuade their owners to give us any fair proportion of their traffic. Now, I do not want to be misunderstood as to all this. I trust that no man, or no woman, would be cowardly enough to go out and say I was running down my country: I am simply trying, Mr. Speaker, to preach a little lesson in modesty. I think that we sometimes have run away with the idea that our country was unique in its natural resources and in its opportunities. It is not. But I do proclaim, and very broadly, that after all we have comparatively a very great country and its greatness, one of its assets, will be the raising of a virile, an intellectual, a spiritual and an imaginative people. Mr. Speaker, in so far as we have the will to win, in so far as we conquer difficulties, in so far as we overcome the obstacles of geography, the obstacles of distance—the fact that the habitable and the cultivable part of this country is largely found stretched, almost like a shoe string, along only the southern part of it—all that is an inspiration for us to put our best brain, our best patriotism, and our best patience into working out some solution, some honourable compromise, whereby we shall make an ultimate and glorious success of Canada. It is going to take patience. The competition from the United States is such that if you spend money in bringing immigrants here, we know very well they are apt to percolate down to the United States, and the money we have spent in bringing them here goes for nothing. That is one of the objections which the armchair critics on this question of immigration do not take into account. They say "Why do you not encourage immigration as Australia did?" But the Australian continent is a great island, with a warm climate, with frost and snow almost unknown. When you get an immigrant there, it is no matter if he is dissatisfied, there is no United States border for him to slip across; he has to stay there and make the best of it. That is one of our difficulties and my point, if I may be clear is this: We should try to solve the problems of our country. It is all a fallacy and a waste of time to sit down and enumerate only the features which indicate the greatness and the advantages of our country. Let us diagnose the case. Let us look at our difficulties along with our advantages. Let us face them candidly and frankly and let us in this investigation quit us like men. We have a great country, but we are subject to great competition from our neighbours to the south.

[Mr. Putnam.]

Mr. Speaker, I am trying at my age,—because I sometimes feel that I have ceased to be a young man,—to disabuse myself as far as I can of any prejudice and party spirit, and I am trying to look at things calmly as one judging a game from the side lines wherein he can see the mistakes and the excellencies of the players of both opposing teams. It is almost a truism that this party spirit should long ago have been abandoned; and I am glad to say that, as far as my observation goes, it is pretty nearly at an end in this country. I loath this intense party spirit on which we were brought up, and point to the fact of sixty-five Progressives being here as a significant proof of the truth of what I am saying. The hon. member for Fort William and Rainy River (Mr. Manion) turned to them the other day, and he put to the Progressives from the prairies this rhetorical poser: "Do you think all the wisdom of Canada is centred in you?" I think that ex-soldier was playing with a double-edged sword. I think a fair implication as to the meaning of that remark was that he possibly thought that in his own mind there was more wisdom than in the minds of the whole of these dwellers upon the plains and their splendid representatives in this House. I must state in all good nature that I resented the question. I have two brothers in the West. They went out there just as strong Liberals as my hon. friend now professes to be a Conservative. Just as strong Liberal as I am. If I were out in the West I have no doubt I would see with the viewpoint of the people who dwell there and the representatives who come here from those districts. Those two brothers of mine supported the member who is now here from Medicine Hat (Mr. Gardiner). They are no longer Liberals, they think that party spirit is an absolutely foolish fetish and they lament having wasted so many years in the worship of it. Now they are Progressives. They belong to no party. They are dissatisfied with both the old parties. I say that in this present state of affairs we should all try to sink, as far as possible, this ridiculous handicap of frenzied party spirit. We can get an even wider outlook. Mr. Speaker, I lately saw the review of a book. I forget the name of the author, but the subject of the book was The Patriotism of Humanity. That author put forward the position, and I saw it most favourably reviewed, that

the man who to-day thinks that all the virtue is confined to his own country, and that all the undesirable elements of a nation are limited to some rival or some foreign country, is an antiquated specimen in the civilization of to-day, and I fancy that is the right way to view it. Do you imagine if our blessed Master were back on this earth that any more now than when He was here, we would appreciate Him as belonging to one country and being a partisan of that country and an enemy of every other. He and His great doctrines were intended for the whole world, and the sooner we learn to take that infinitely wide outlook the better for all concerned.

Mr. Speaker, I know that some recoil at the very word "compromise", but I remember reading a speech by Sir George Foster, who now adorns the Senate, in 1895 or 1896, when a troublous question was before this House. He said: Let us grasp and bear aloft the torch of friendly compromise under which the Fathers of Confederation marched in times far less prosperous and far more troublous than our own to an era of progress and continued peace. I think that view is peculiarly in point in presence of the problems of the present day.

In conclusion I merely wish to say that, as I judge the atmosphere at this time, at this capital city, and in this parliament, I am in hopes that the budget, which the present administration is working so hard to evolve, will be one in which the greater number, and the preponderating influence in this country will find a magnet upon which to unite in a friendly and an honourable compromise that will be to the lasting benefit of this Canada of ours.

Mr. G. C. WILSON (Wentworth): Had it not been for the announcement of the Minister of Justice the other evening touching the extravagance of this House in regard to time, I do not think I should have stood up in my place to, in the first place, review some of the statements that have been made from both sides of the chamber, for I must confess that here outside appearances do not always reflect inside experiences. But, Mr. Speaker, I can plead that perhaps in the past I have not taken up the time of this House at any too great length, and when I have spoken I trust I have been enabled to place some matters before this House, at least believing them to be true.

10 p.m.

In the first place, I would like to congratulate and offer my felicitations to all the sons and daughters of the Emerald Isle upon the 17th of March, the day they honour their patron saint. May the land of the shamrock be favoured with prosperity and blessed with national unity, tempered with equality and justice. I am sure that these words express the view of all those living in the Land of the Maple. I trust that any remarks I may make will be devoid of offence to all, and if I err, Sir, I hope it may not be a serious error.

I might as well say at the outset that I am of Irish and Scotch parentage, but I am a Canadian, and if, in the course of my remarks, I demonstrate some of my Scotch or Irish traits, kindly remember that one cannot refuse an inheritance, especially the Scotch. It did not cost me anything. You know an Irishman is reported to have said that every man should be proud of his native country, whether he was born there or not. Well, Mr. Speaker, I am proud that I am a Canadian and born in the county I represent, and, for your information, may I add that I am in rather a distinguished company in this House, because the hon. Minister of the Interior (Mr. Stewart) was born in that county; the dean of this House, the hon. member for South York (Mr. Maclean) was born in that county, and the hon. member for Burrard (Mr. Clark) was also born in that county. It is a good county, a county where industry and agriculture work hand in hand, a little different from some of the counties I have heard from in this debate. If sentiment at any time draws me to the side of the birthplace of my parents, it is only, I hope, because I love both the shamrock and the heather, but not more than the maple leaf.

We are all delighted to see the Prime Minister (Mr. Mackenzie King) back in his place; and may I express the hope that, during his recent visit to our cousins in the South, he has been physically benefited, nay even inoculated with that American spirit and principle of looking out for number one, and that he may transmit to his cabinet and followers in this House, and through them into the veins of public life of Canada, that serum which will result in a return to a sane policy that a Canadian government should look after Canadian interests, especially when every other country is adopting such a policy. If the Deputy Speaker had not been in the Chair, I would like to refer to the long political experience of the Speaker of this House, of some 28 years, and I would ask him if he had ever, in all the records of this House remembered such a situation as we have to-day. Last session we found the government in the position of practically being afraid to bring in legislation without first stating that the measure would not be considered a party measure. This session we have no sign of improvement, no signs of stability, but rather

symptoms of a nervous break down, a complication of internal disorders that may result seriously.

I will review some of the strange situations during the Prime Minister's absence. But before doing so, may I remind the hon. Prime Minister that I read the other day that an Italian had invented a delicate instrument whereby he could tell where earthquakes were going to take place and when; and I would suggest to the hon. Prime Minister that he equip his department with one; in fact some of us may have the opinion that he already has one, and that when he heard the murmurings and rumblings in his own party he decided, perhaps, that a visit a little further South might benefit him. No doubt, Sir, what has taken place during his absence has been placed before him, but I would like to refer to it. I may refer to—what shall we call it—the anguished indecision of the hon. member for North Waterloo (Mr. Euler); or the position taken by the hon. member for St. Lawrence-St. George (Mr. Marler), the supporter, we will say, who longs to bless, but who is constrained to curse; or the position of the hon. member for Brantford (Mr. Raymond) who, having heard his leader promise at Brantford that no legitimate industry would be interfered with, and which upon comparing this statement with the announcement of reduction in the tariff on instruments of production, must lead him to add perhaps to what he has already so well said. I thought when the ex-Solicitor General, Hon. D. D. McKenzie, left the House that we had no authority left on Biblical quotations but I notice the Minister of Railways (Mr. Graham) is an adept at it, and I will have to be very careful with any statements, I may make in that respect; but I would think that the attitude of the hon. member for Brantford (Mr. Raymond) will be found in these words—

> Yea, mine own familiar friend in whom I trusted, which did eat of my bread, hath lifted up his heel against me.

And I suppose to this the Prime Minister will no doubt reply—

> They profess me with their lips but their hearts are far from me.

Then another incident took place, and I am mentioning these things in an endeavour to find out, if we possibly can, what the policy of the government is, or what their attitude to the country is. The hon. member for Cariboo (Mr. McBride) suddenly became converted, but his conversion will only remain permanent provided certain things are done in his riding. Then we have the hon. member for Brandon (Mr. Forke) who, in a statement given to the press—and strange things are happening now—comes out in favour of one of the greatest combines, mergers or trusts, that this country has ever heard of, and he announces himself at the same time in favour of the protection of the minority. I do not wish to put him in a false light, but the hon. member has come out strongly and declared himself in favour of the greatest ecclesiastical merger or trust that he can conceive; that is church union.

Mr. BROWN: Hear, hear.

Mr. WILSON: My hon. friend says, "hear, hear". While in my public career in municipal life, when I was a member of the local legislature, and also in this House, I have never been afraid to face any question, and I resent very much some of the campaign literature of one of the sides of this question. If my hon. friend had not said "hear, hear", I doubt whether I would have gone into it; and especially had I not been sent a printed pamphlet in connection with one of the contesting parties in the Presbyterian church, which I attend, on this question, which pamphlet states that no doubt when this question comes up in the House politicians and members of parliament will take the line of least resistance. That has never been my attitude. I will not take the course of least resistance; but I will exercise that liberty of conscience that, I claim, is my right, and when the time comes, I will vote the way I think, in spite of petitions or letters that may be sent to me. I think I have a perfect right to hold to the views that I maintain, as part of our civil and religious liberty.

Mr. BROWN: That is the Scotch coming out now.

Mr. WILSON: It may be Scotch, but I am proud of it. I am proud of this, that I practise what I preach. I am not like some other people that preach and do not practise.

I would also refer to the hon. member for Brome (Mr. McMaster). I do not know, to be candid, what position he was in, because, while he spoke from this side and he received the greatest amount of applause from my hon. friends to my left, in the absence of the Prime Minister (Mr. Mackenzie King) he was not making love to the then leader of the government (Mr. Graham), but he was practically what I would say skylarking with the Minister of Justice (Mr. Lapointe). To-night, I saw him sitting over on that side, and I wondered if something had taken place, because while there is no doubt in my mind he is an ardent free trader, I think he is in the position

of a prodigal son. I remember his speaking about the corn; I suppose there were corn husks where he was, and he evidently is anxious to get back. I suppose when he considers the statement made by the hon. member for Brantford (Mr. Raymond) about dropping the pilot, he may think there may be a change and it is pretty nearly time for him to get back.

I said that we were anxious to know what the trouble was. The other night the hon. member for Vancouver Centre (Mr. Stevens) inquired of different members sitting on the government benches if they would enlighten us as to what the Speech from the Throne meant. I know there are still certain members from whom we on this side would like to hear. I should like to hear from the hon. member for North Essex (Mr. Healy). You know the hon. member for North Essex says:

> King needs Tim; Tim needs King;
> Tim and King, that's the thing

We would like to know the position of the hon. member for North Essex on this tariff question at the present time. It would be well worth while having the opinions of the hon. member for Welland (Mr. German), the hon. member for North Bruce (Mr. Malcolm), the hon. member for St. Antoine (Mr. Mitchell), the gallant member for Quebec South (Mr. Power), the hon. member for Lothbinière (Mr. Vien), and the hon. member for Chambly and Verchères (Mr. Archambault). As regards the last three members, I can remember in previous sessions when they were sitting on this side, they were very active critics of the government; they never failed to express their opinions, and I wonder how they stand on this question to-day as presented by the government. There is another one in the ranks of the Progressive party that I would like to hear from. We have heard from the hon. member for North Waterloo (Mr. Euler). I would like to hear from the hon. member for South Waterloo (Mr. Elliott). It is, however, for the Minister of Agriculture (Mr. Motherwell) to tell what the trouble is. I have wondered, as a great many people have wondered, what the trouble was, but you know the Minister of Agriculture has that—what should I call it?—sort of perambulating "roaming in the gloaming" style of telling you, and you know just about as much after he is through as you did before he started. His statement, however, will perhaps, convince some of the members of the House and the country what the trouble is. I hope my hon. friends of the Progressive party will agree with what he thinks of it, because I think he advocates mixed farming in the West and some of them do not take kindly to that. This is an address given by the Minister of Agriculture before the Women's Liberal Association in Ottawa, and it is taken from the Journal of 22nd January, 1924. Speaking before a women's club, this Sampson of politics had to fall for a Delilah of the Liberal Club; he had to tell wherein his strength lay or wherein the weakness lay. What does he say? The paper said in its report of his speech at this club:

> It was not a prepared speech. . .

The report continued:

> While believing in the two-party system of government, which he traced from the Cavaliers and Roundheads of Charles I, if people desired more than two parties they must make up their minds to have unstable government, said Mr. Motherwell. That of which he was a member was an example, carrying on without a majority, but still able to carry on. More parties invariably meant more confusion. It would probably do neither Great Britain nor Ramsay MacDonald harm to have the Labour government experiment in England. Things would look differently to Mr. MacDonald when he got into power.

I want to say this to my Progressive friends that if they ever happen to get into power, things will look differently to them. Further on he says:

> In Canada at present politics had descended to "cut-throat euchre", with the government in the position of the dealer. It was regrettable at a time when the country needed strong legislation that the government's hands should be tied, "and that we should have to count noses before we move".

Mr. STEVENS: Who said that?

Mr. WILSON: The Minister of Agriculture. The Assistant Clerk of this House deserved great credit when he could call the names of the members of the House; but I hope the Minister of Agriculture has no intention to introduce legislation to compel him to count noses when a vote is taken. The Minister of Agriculture has just come in. Let me repeat that I am talking about him and his wooing of the ladies of the Liberal Club of Ottawa.

Mr. MOTHERWELL: Hear, hear.

Mr. WILSON: The minister says, "hear, hear." The minister described the position of the government in saying that the game was "cut-throat euchre." It may be euchre, because as I look across at the other side of the House, the Prime Minister is not in his place, but I know that he has lost his right bower and also his left bower, and the only thing which he does now is to appeal to my hon. friends to my left and to take his partner's best, in this case the hon. member for Brandon (Mr. Forke). I want to tell him that that game is out of date. It is not according to Hoyle. You cannot take your partner's best.

Mr. MARTELL: The joker is over there.

Mr. WILSON: I might ask the Minister of Agriculture if the embargo is still on, and if it is still on, what does it prevent from coming into this House or this country? The hon. member, as I stated, goes further as regards the cut-throat euchre. He said:

> It was regrettable at a time, when the country needed strong legislation that the government's hands should be tied, and that we should have to count noses before we moved. Yet the people in their wisdom placed us in that position.

Further on he says, as regards the National Railways:

> Sir Henry Thornton had made good—

And then mark this:

> —and so long as he continues to make good be will have the same freedom he enjoys to-day.

So Sir Henry had better be careful, he had better "watch his step," or he will get into difficulties, too.

Now, Mr. Speaker, I wish to deal with certain statements that have been made during the course of this debate. In calling attention to a prediction made by the hon. member for Springfield (Mr. Hoey), I would add that if his other predictions are all as far at sea as this one we do not need to pay much attention to them. He said:

> The Conservative party is coming back—

Then he paused, and added:

> —but with reduced numbers.

Some hon. MEMBERS. Hear, hear.

Mr. WILSON: My hon. friends applaud. Drury said that. Drury said the Conservative party was coming back with reduced numbers in the province of Ontario. If my hon. friends to the left, or my hon. friends across the floor, will count noses first, or if they will give us a chance of letting the electors of the Dominion decide, they will soon find out that the Conservative party will come back to power with ever increased numbers.

Mr. MARTELL: Premature consolation is but the remembrancer of sorrow, as Goldsmith says.

Mr. WILSON: I again appeal to the Minister of Agriculture (Mr. Motherwell) if he has not legislation that deals with pests, I think he calls them. The hon. member for Springfield says that he is going to raise his voice in this chamber against a minority group criticizing the government. Well, what do hon. members think of the minority government that is now in power? True, they are in power because the annex has been turned into a lean-to for the support of the government; or to use a western phrase, the annex has become a corral for horses that are soon broken, but from which two at least did bolt—one other, the hon. member for Brome (Mr. McMaster) I presume may be considered to have strayed into the corral.

The hon. member for Colchester (Mr. Putnam) criticized my hon. friend from Fort William and Rainy River (Mr. Manion) for being a protectionist. Well, I am not afraid to say that I too, am a protectionist. I am proud of the principle of adequate protection for agriculture and manufacturing industry in this Dominion. The hon. member for Springfield referred to this policy as having reached its allotted span. Will the hon. member tell us of any industry that has been benefited by the introduction of free trade? I was brought up in the hardware business and have dealt with farmers of all kinds, and I remember the agitation for free coal oil, free binder twine and free barbed wire; and the farmers in those days swallowed the bait just as readily as the hon. member for Brandon swallows this policy—hook, line and sinker. What did they get? At that time we had twenty-two binder twine factories; to-day we have three. My hon. friends to my left try to tell us that they decreased the cost. Can they honestly say that to-day they are buying twine as cheap as they did when there was a protective tariff on it? No, by no means. Our friends condemn trusts, mergers and combines, but when they took the duty off barbed wire they put themselves into the hands of the United States Steel Trust, there is no question of that; and when they took the duty off coal oil they put themselves in the hands of the Standard Oil Company, because although they are known as the Imperial Oil Company in one province and the Queen City Oil Company in another, they are one and the same concern, the Standard Oil Company; but while my hon. friends condemn trusts, mergers and combines, yet they cannot show any instance where they have benefited by tariff reduction.

Now, my hon. friend from Brandon says:

> I am pretty sure that if the Canadian manufacturer of implements would say, "I don't want any protection; I am going to give the farmer the benefit of free implements," such a sentiment would be created in favour of the Canadian manufacturer that he would very soon get that mass production that he says he wants.

Well, an awful change must have come over the West, because in the catalogue issued by the company to which a number of the farmers of the West belong we found a very large percentage of American articles adver-

tised even when there was a duty. Everybody is aware that there is no sentiment in business. And how could our manufacturers get mass production, if with a duty they have shown their preference for goods of American make? I wish to refute his statement by quoting his own statement. He says:

> The trouble to-day is not over-production but lack of consumption. Inability to buy, that is the trouble in Canada to-day. I do not know what the Massey-Harris Company, for instance, are turning out to-day, but I have no hesitation in saying that they are not turning out over one-third of the machinery they were turning out ten to fifteen years ago.

Fifteen years ago the tariff on agricultural implements was 12½ per cent preferential and 17½ per cent general; to-day it is 10 per cent. Notwithstanding the reduction, our factories are not turning out machinery in as great quantities as they did under protection, and yet the farmers are paying higher prices for their implements.

The hon. gentleman also said:

> If that sympathetic feeling could be cultivated to-day, I am sure that a vast amount of new machinery would immediately be bought, and with the mass production that would result the implement manufacturer could, I think, get along very well almost without protection.

Well, Sir, you might as well shut off the gasoline and expect your engine to run, or chloroform your patient and expect him to remain conscious and alert. The theory of free trade may be all right, but it does not work out in practice.

Now I come to the address of another member of the Progressive group, the gentleman who represents the county adjoining my own (Mr. Good). When I heard him reading I did not know whether he was reciting Bedtime Stories or Little Benny's Note Book. He was referring to a candlestick maker or something of the sort. I mean the hon. member who referred, not to Goldsmith's deserted village, but to Good's deserted farm. Well, I would say that such advertising is not for the county's good, it is rather for Good's good. I had heard observations from this side of the House upon the advantages of living on the farm and a condemnation of the parasites who live in the city—and I am glad to see the hon. member for Nelson (Mr. Bird) here, because I wish to say something to the reverend and hon. gentleman from that constituency upon that point. I was reading the other day of an American who claimed that if you wanted to become famous all you had to do was to prohibit something. You know, we have passed through what is known as the stone age, the bronze age and the steel age; we have now what they call the prohibit age. This article says:

> If you would be great, prohibit something and shout about it. It does not matter what it is, though it is preferable to select what the other fellow likes and you don't.

An hon. MEMBER: What about the Ontario Temperance Act?

Mr. WILSON: Well, that is going to be put to the test pretty soon. Prohibit dancing, prohibit card playing, prohibit oleomargarine, prohibit smoking, prohibit drinking and prohibit betting, and I am sure the hon. member for Brant will not find the conditions as vastly improved as his theory would lead us to believe.

I happen to have been a follower of one of the greatest leaders that this province has ever produced. I sat in the local legislature under the late Sir James Whitney, and although, perhaps, some of the statements he made have been forgotten by many, they at least contained truth and embodied practical suggestions that have turned out to be well founded. He said on many occasions that you had to have a preponderance of public opinion behind any measure before you could enforce it. Now, somebody said something about the Ontario Temperance Act. I do not know whether he referred to me or not, but so far as that is concerned I am one of those who do not preach temperance but practise it. I have never been off the water wagon in my life, but I do not insist on forcing my views on the other fellow.

Mr. KENNEDY (Edmonton): Not even protection?

Mr. WILSON: No. What I think we should do is get together—the East and the West. In fact, there should be no East and no West. The hon. member for Nelson (Mr. Bird) says this:

> There is the debt under which the farmer is labouring; there is taxation; there is the tariff; there is transportation.

Well, I may tell my hon. friend that in Ontario the greatest part of the debt is due to the farmer administration. The debt of Ontario increased from $97,000,000 in 1919 to $243,000,000 in 1923, and this by the party that had promised economy, this by the party who said that, on the good roads policy, they were going to build roads for all the people and not certain roads for certain people. I well remember that some three years ago, I think it was, when I tried to present to this House what I thought at that time was the correct view to take in connection with the building of roads in my county, I was met with determined opposition by the then hon. leader of the Progressives, the hon. member

for Marquette (Mr. Crerar). I did not blame him, in a way, because I think somebody on the opposition benches at that time said we were making political capital, getting ready for an election. That may be true or it may not, but the statements I made then were not exaggerations. I pointed out that in the county which I represented, roads were being built, water-bound macadam roads, with asphalt top, at a cost of $82,000 a mile; and somebody on this side of the House, a member of the then opposition, wanted to know if those were the streets that were paved with gold. And what do you think? In a return brought down in the local legislature this year the cost was stated of the construction of the road between Toronto and Clappison's Corners which is in my county. I wish the Progressives could come and see that work. They may talk about extravagant expenditures, but they should come and see how the ex-Minister of Public Works of Ontario built roads under the Farmer administration. This road, thirty-two miles long, cost over $96,000 per mile. The hon. member says, "there is the debt under which the farmer is labouring."

Mr. BIRD: May I ask a question? Has the party which the hon. gentleman represents discovered any political corruption in relation to those roads?

Mr. WILSON: I am glad my hon. friend asked the question.

Mr. BIRD: Will the hon. gentleman permit me to finish? Perhaps he is equally well acquainted with the debt that burdens our Manitoba farmers at the present time, and its sources.

Mr. WILSON: Increased by the present Bracken government. But in the province of Ontario we have good reason to know what the debt is.

Mr. BIRD: I was not referring to any increase on the part of the Bracken government, but rather to the sources of the debt under which the farmers of Manitoba are labouring at the present time. That is what I was referring to in my speech, if I was referring to that particular phase of debt at all.

Mr. WILSON: If you go into it, you find that it was a general statement—the debt under which the farmers were labouring. When I rose in this House and condemned the expenditure of money in my own constituency, I took an attitude which, I think, is not often enough taken in this House. I condemned the extravagance of that government. I condemned the attitude of the ex-Minister of Public Works of Ontario, who sits in the seat I formerly occupied in the local legislature. I condemned it because it was extravagant. I said it was not fair for Ontario or for this government to be compelled to hand over its share of the $20,000,000 grant and give that large proportion to the county of Wentworth. I want to say to the credit of the Department of Highways that they did not approve of the roads that I condemned. The late government did not approve of them, and this government, to their credit, have not approved of them. Mr. Drury, Mr. Manning Doherty and the other satellites came into my constituency during the last Dominion election and did everything they possibly could to defeat me. They stated that I was opposed to good roads, although they knew I was not, but that I was opposed only to the extravagance of their road policy. I told the farmers of that community that although the minister was saying those roads would not cost them anything, I was satisfied that when they got the bills the story would be different. And what is the position of the county of Wentworth to-day? Twenty per cent of the cost, which we have to pay, means that the county of Wentworth has to issue debentures for $842,000. That is our share, and we have to pay it.

Mr. WARNER: I protest against the time of this House being taken up with matters that are outside of our control. I would rather have the hon. member talk about the $300,000,000 that is left to us of fixed charges which should have been partly discharged during the war.

Mr. WILSON: Mr. Speaker, I do not know but that I am perfectly in order. The hon. member is using the tactics that were adopted by the leader of the Progressive group when I was speaking once before. He tried to prevent me, and I was saved on that occasion by the present Postmaster General (Mr. Murphy), who was very anxious to get the facts; and I may say that if my speech was in error at that time the Liberal Association of the province of Ontario ordered 10,000 copies of it. When my hon. friend from Strathcona (Mr. Warner) gets up in this House and says that I should talk about something that is connected with this House, he apparently does not know that the Department of Highways under the Dominion has something to say as regards the expenditures on roads in this country. I might retort that I have never taken up the time of this

House in talking about the agricultural show held in my county, as he has done on many an occasion.

I would suggest this to the Department of Highways. I understand that the appropriation has been spent; I think I am correct in that as regards the province of Ontario at least, and an appeal has been made, and further appeals will no doubt be made, to this government for additional money for road building. I approve of the principle of road building, but not of the extravagant principle of road building, and I also suggest to this government that; when they draw up the next regulations in connection with the paying out of money for good roads, they take a tighter grip of it and first approve of the project before it is started. I am not casting any reflections on anyone, but I know what happened in the past in the province of Ontario, and I think it is well to offer this suggestion which I have done in the best interests of the country.

Now let me tell my hon. friends to my left, and the hon. member who just recently interrupted me, and who may not realize the fact, that the extravagance and non-fulfilment of their pre-election pledges led to the defeat of the Farmer government in the province of Ontario. The hon. member for Nelson (Mr. Bird) speaking in this debate a few days ago said, referring to what is promised in this clause of the Speech from the Throne: "There is transportation." I trust that the hon. member does not preach that the transportation problem will be solved by the panacea for western ills, the removal of the tariff on agricultural implements.

I also want to take exception to a statement he made in regard to residents of cities, whom he called parasites. The constituency I represent is perhaps one of the largest urban and rural constituencies in the province of Ontario. We have a great number of workers, and I do not know that it is very becoming for the hon. member to refer to them as parasites, or very becoming of him to refer to the cities as big swollen parasites that suck the life-blood of the producer. We do not look upon them in that way in the constituency from which I come, because we have there the best home market for the farmers than is to be found anywhere in the province of Ontario. I believe it is the largest market in the Dominion of Canada.

My hon. friend for East Lambton (Mr. Fansher) said, "Wheresoever the carcass is, there will the vultures be gathered together." That was the statement the Minister of Railways (Mr. Graham) corrected for him. Now in the urban centre of Hamilton we can truthfully say, and this is the revised version, "Where industry thrives there are the farmers gathered together." Let me prove my point by a reference to the Hamilton market. It is a great thing to hear these Progressives and the United Farmers of Ontario say—and we heard the hon. member for Springfield (Mr. Hoey) say the same thing to-night: Do away with the middleman. In the city of Hamilton market the middleman is eliminated. Yet we are told that the home market is of no value to the farmer. I have here some figures furnished me by the market clerk of the city of Hamilton. The Hamilton central market is for the sale of fresh meats, poultry, fish, butter, eggs, flowers of all kinds, fruit farm and garden produce. To that market in the city of Hamilton which is the urban centre, we have brought in each day, 9,000 gallons of milk to the two city dairies from 450 producers in the country. Yet they say the home market is of no use. Here is some further information about this home market, this Hamilton market that we are so proud of. It can accommodate 1,000 vendors of all classes in one day. I do not wish to go into all the details, but I will take just one month, that of September, 1923, and I will show you how many farmers attended that market:

Transient farmers..	4,795
Farmers reserving stands..	2,213
Butchers reserving stands..	258
Fishmongers (all citizens of Hamilton)..	72
Stalls occupied by different dealers in produce.	144
Florists..	279

In the butter hall where the farmers' wives sell their produce there were 1,621, or a total of farmers and their wives selling on the Hamilton market in the month of September, of 9,382. Yet our friends from the West tell us that the home market is of no value to us. Let me tell them what is sold there. You know, there was a United Farmers of Ontario organization—there is not much of it left to-day—for co-operative dealing, co-operative buying and selling. We heard a lot about that, but the farmers in our county have realized that it does not pay to sell through that organization, and the farmers bring their produce into the market. In the month of September there was sold on the Hamilton market, carcasses of beef, 468; calves, 599; lambs, 700; sheep, 78; hogs, 180.

I resent, Mr. Speaker, any member referring to the residents of the cities as parasites, and I want to say this so far as my constituency is concerned: In 1914 those so-called parasites toed the scratch. They were the men who went without conscription. They walked right in, and signed up, and fought for the protection of this country and of the British

flag. They may be parasites, but we are proud of them. I do not mind anyone calling me names; you can call me what you like, but I do resent the people I represent being called names.

On one occasion Mr. Biggs, ex-minister of Public Works of Ontario, made the statement that "politics was the dirtiest game he ever was in." I sometimes get sick and tired of hearing people say that if they had the opportunity they would do the same as others have done for their own profit. Any game is just what you make it. If you play the game fairly you would never be able to say that politics is a dirty game. But I think if we possess our souls in patience we will find that the declaration I have just quoted will be established,—that it will prove a boomerang to the man who uttered it.

I wish to say this as regards the policy of protection. I represent a manufacturing town, the town of Dundas. I also represent a large portion of the city of Hamilton. In that portion there are more American industries than in any other city in the Dominion. To those who claim that protection has not been a good thing I want to know how it is these American industries came to Hamilton. Was it because of free trade? No, it was because there was a tariff against their goods coming into this country, and they decided to come to Canada and to manufacture in this country. That I consider is a benefit to the Dominion. In my constituency we believe in the protection of labour, we are not in favour of creating a standard of living lower than that which exists to-day. We maintain that the artisans of Wentworth county are entitled to protection; are entitled to the fair-wage clause in public contracts; are entitled to the eight-hour day; are entitled to the Minimum Wage Act; are entitled to the Workmen's Compensation Act as it exists in Ontario; and are entitled to better their condition of living. We not only believe in a policy of protection for the working men but we believe in a policy of protection for the fruit growers and market gardeners of the Niagara peninsula. We say they also need protection, and we ask the government to grant this protection. We say to our friends in the East who declare they wish to encourage agriculture: Is it fair to ask the workers in our county, in our market gardens, who work early and late, to compete against the southern states where the climatic conditions are such that it is utterly impossible for us in this Dominion to produce fruits and vegetables at as early a season as they do. I heard the hon. member for Brome (Mr. McMaster) refer to producing pineapples under glass. That may be a debatable question—putting a tax upon oranges, bananas, pineapples and lemons.

Mr. ARCHAMBAULT: Grapes.

Mr. WILSON: There is a duty on grapefruit, and there is a duty on grapes. But let me ask this question: Do hon. members know what made the price of grapes go up in the province of Ontario?

Mr. ARCHAMBAULT: Prohibition.

Mr. WILSON: Yes, it is due to the fact that hon. gentlemen to my left, the Progressives and their friends who pronounced in favour of prohibition, absolutely refused to interfere with native wine. They preach one thing and practise another. To-day we are in this ridiculous position in the province of Ontario: It is perfectly legal to make wine from the juice of the grape, but you must get a permit if you wish to make it out of dandelions; it is perfectly legal for a wine manufacturer to sell wine containing 20 per cent of alcohol, he can manufacture it, but if he advertises it he violates the law; we cannot have 2½ per cent beer but we can have wine with a 20 per cent kick in it. I believe in temperance, I make no bones about it—

Mr. ARCHAMBAULT: Who passed that law?

Mr. WILSON: The Conservative government. I am not in favour of the repeal of the Ontario Temperance Act, I am in favour of sane legislation, and I commend the Premier of Ontario for the fact he has backbone enough to fulfil the pledges he gave to people when he was appealing for their votes. This should be an example to my right hon. friend the Prime Mininster of Canada. The trouble to-day in our public life is that the leaders of thought in religion and in municipal, provincial and Dominion politics are not living up to the pledges they gave the people.

Some hon. MEMBERS: Oh, oh.

Mr. WILSON: My hon. friends may laugh, but they should remember that Drury laughed at one time. I ask them to remember the old saying "Empty vessels make the most noise".

Now, Mr. Speaker, I want to go further and refer to the industries in the city of Hamilton as an evidence that protection is a good thing. The leader of the government the other night made a strong appeal in peroration to the Grand Old Man of Hamilton, Mr. Adam Brown. We are proud of Mr. Adam Brown in the city of Hamilton, and the Dominion should

be equally proud that when he was in political life he was a man of vision. He was one of those who believed that Canada had a great future. Mr. Brown was a member of the House in 1887, and speaking of the protection that was being afforded to the iron industry, a protection that was opposed by the Liberal opposition, he said,—and I quote from Hansard of May 17, 1887, page 494:

> Mr. Brown: Hon. gentlemen opposite say hear, hear. I hope they will get some sense knocked into them before long that they will see this in a proper light. They do see it, Mr. Speaker. The wriggling way in which they have gone through the question to-day shows that they see it. Here and there some of them try the circus trick, riding on the backs of two horses, free trade here and National Policy somewhere else. At the same time they feel that the country is so sound on the question of the National Policy that they dare not come out openly and speak against it. This change in the tariff, I believe, will secure for the National Policy a position which it has never had before, because it strikes at the root of the whole matter. It protects the labour that is required to produce the article.

The letter was read stating—

> Your telegram received; we wired you this morning: "We think changes made in the tariff will be found satisfactory and will, as intended, rapidly develop the iron business." We are surprised to know the decided stand made by the government upon the tariff, the same arguments having been offered before and no result came. We had feared that the matter would be left as before, especially as such strong protests are made by prominent parties. The action of the government in taking this firm and comprehensive stand will, before long entitle them to the praise of all who take an interest in the development of this country. Increased wealth and population are sure to follow. Every ton of the ore and coal that now lies worthless in the ground, that is manufactured, adds so much to the wealth of this country.

Has Mr. Brown's prophecy been fulfilled?

This government has been presented with a petition on behalf of the industries of Hamilton. It was moved in the council by a Liberal controller and was seconded by a Conservative controller, and another controller a Mr. Davis, who was past president of the Liberal Association, said that this was a question that certainly interested Hamilton, and what he was in favour of was not a reduction on agricultural implements, but that he was in favour of a return to the Laurier tariff. Now if you give the manufacturers the Laurier tariff on agricultural implements I think they will be more than satisfied, and that comes from a gentleman who was a Liberal candidate in the last provincial election. This petition is addressed to the government and is from the city council, and has been sent to the Acting Minister of Finance. It says that a reduction in the duties threatens the life and existence of many other Hamilton industries. They are referring to the Libbey-Owens Glass Works, and more especially to the agricultural implement manufacturers. In the city of Hamilton we have some 72 branches of American factories, and you ought to know what is taking place by the reduction even of last year. We have what is known as the International Harvester Company,—and I cannot understand why the government would single out any one industry, and especially why should they single out practically the hospital ship of Canadian industry, and they are not even going to give it a fair burial, but they are going to torpedo it; there is no question what it means. At the present time the International Harvester Company have an investment of fifteen million dollars in Hamilton and Stratford. They pay one million dollars per year in freight rates. They have in Hamilton,—under ordinary conditions in the past, an employee list of four thousand. To-day they have four hundred and fifty. That is four hundred and fifty as against four thousand. The National Steel Car Company, with a list of fifteen hundred employees, has to-day twelve hundred. Why have they twelve hundred? Why is it when the other company has a great proportion of their men out of work, the National Steel Car Company seem to have a large number of men at work? The reason is that the department of the Canadian National railways has given an order to the National Steel Car Company for a thousand cars. We have another industry which so far has not been affected,—and if the hon. member for West Peterborough (Mr. Gordon) were in his place, he would bear out this statement—I refer to the Canadian Westinghouse. They ordinarily employ three thousand people. They have at the present time twenty-five hundred, and the reason they have so many is because the electrical industry has not been disturbed to a great extent. The Hydro-Electric development in Ontario has been a factor in keeping these men employed. But to sum up, in the past, the 72 American industries had on their payroll 17,463, and they paid out $360,000 per week. To-day they have only 7,939 on their payroll. That is a reduction in the number of 9,524, and their payroll has been reduced in these industries alone from $360,000 per week to $165,210. Now, we have in the city of Hamilton other industries, and I just want to mention this fact because when the hon. Prime Minister referred to the former member from Hamilton, Mr. Adam Brown, I want to

know if the prediction made by that gentleman in this House has come true. In 1879 the population in Hamilton was 34,208, and the assessment was $15,168,280. In 1923 the city of Hamilton had a population of 120,235 and an assessment of $145,000,000. There are employed in the Hamilton industries 30,454; capital invested $142,000,000; payroll per year $40,000,000. Then we have an annual incoming railway tonnage of 750,000, we have an outgoing railway tonnage of 2,500,000 tons. We have a lake shipping, outgoing of 53,000 tons, and incoming shipping of 46,000 tons.

What is the trouble to-day in the Dominion of Canada? In the first place, a great deal of our troubles arise from unemployment. And unemployment is brought about by what? The failure of someone to provide industry, the failure of the government to bring in a stable fiscal policy and the fact, as I said before, that a great many people have lost faith in the present leader of the Liberal party. They were talking about the emigration to the States. I will give the House one instance. I am not talking in the calamity strain that I sometimes hear in this House, but I will refer to one of the employees of one of the industries in Hamilton who had been for seventeen years with the same company. He has a family of eleven children, all Canadians, seven of whom are of working age. But they cannot find employment now, so he has had to resign his position, and with his family, go to the States. You talk about the policy of immigration, but do you not think, in the first place, Mr. Speaker, that we should have something to which we could invite the immigrants to come? We do not want to be a clearing house for the United States. That is what we are to-day. We are paying for the education of the people who come here, and they drift, and drift, and drift, over to the United States. Now then, if this agricultural implement industry is torpedoed, if they are driven out of business, what will happen? I would like to know from the hon. member for Brandon (Mr. Forke) and leading members of the Progressive party what is going to take place supposing we do not get the tariff reduction. We heard the hon. member for Springfield (Mr. Hoey) say to-night that he would be satisfied, and the leader of the Progressive party (Mr. Forke) said that he would be satisfied, with the government. I think it would be better if they would approve the idea of practically crossing the floor of the House. They cannot any longer admit that they are an independent group, because practically every one of them has said: We will support the government provided that so and so is done; we will support the government if they build the Hudson Bay railway.

An hon. MEMBER: Hear, hear.

Mr. WILSON: My hon. friend says: "hear, hear." I do not deny that perhaps the Hudson Bay railway should be built, but certainly what should be done is first to have a careful investigation whether it is going to be any good or not. I have been an advocate of public ownership; I stumped the whole province in the interest of public ownership in connection with the Hydro-Electric; but I could not follow Sir Adam Beck entirely when he advocated the system of hydro-radials that he did advocate, I voted against it in my own constituency; my constituency voted for it. I am in favour of electric raliways; I am in favour of railways being built where they are needed; but I am not in favour of a policy in Ontario as regards electric roads similar to what we have in regard to steam roads. If you go into Cobourg or any of those places on the way to Ottawa, you will see three railways within a stone's throw of one another. We should be careful of what is done and we should spend our money to the best advantage.

I have already delayed this House at too great length; I apologise if I have taken longer than I should; but I hope the government will realise that the country expects something from them. The country should have had some announcement, if not in the Speech from the Throne, then one that will set at ease capital and industry in Canada. Our problems to-day, as I said, are unemployment, stagnation of business, sectionalism, transportation and proper marketing. I think one of our solutions would be the appreciation of the industrial East of the agricultural West, and the appreciation of the agricultural West, of the industrial East. Let me conclude by saying what I believe should be—and I quote in verse—the policy of this country:

> Consider well 'tis not the time to stunt our growing powers,
> And place this country's destiny in other hands than ours;
> So let our final answer be, and let East and West be told.
> We'll weld together what we have, and what we have, we'll hold.

On motion of Mr. Graham, the debate was adjourned.

On motion of Mr. Graham the House adjourned at 11.15 p.m.

Tuesday, March 18, 1924

The House met at three o'clock.

PRIVATE BILLS

FIRST READINGS

Bill No. 8, to change the name of The Travellers Life Assurance Company of Canada to "Montreal Life Insurance Company"—Mr. Jacobs.

Bill No. 9, respecting The T. Eaton General Insurance Company.—Mr. Sheard.

Bill No. 10, to confirm an Agreement between The Ottawa Electric Railway Company and the City of Ottawa.—Mr. Chevrier.

BUSINESS OF THE HOUSE

WEDNESDAY SITTINGS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That on Wednesday, the 19th March, instant, and every subsequent Wednesday until the end of the session the House will meet at three o'clock in the afternoon.

Motion agreed to.

UNITED CHURCH OF CANADA

Mr. WILLIAM DUFF (Lunenburg): Mr. Speaker, I desire to present a petition from the Rev. T. Crawford Brown and others in opposition to certain phases of a proposed bill to incorporate the United Church of Canada.

RAILWAY ACT AMENDMENT —EXCURSIONS

Mr. T. L. CHURCH (North Toronto) moved for leave to introduce Bill No. 11, to amend the Railway Act 1919.

He said: The object of this amendment is to restore to the public the privilege of cheap tickets for such occasions as weekend holidays, excursions, fall fairs, conventions and sporting events which they enjoyed before the war. This privilege, I may say, has been restored in every other country.

Motion agreed to and bill read the first time.

RAILWAY COMMISSION

On the Orders of the Day:

Mr. W. G. McQUARRIE (New Westminster): Might I be permitted to ask if the government intends to recognize the claims of British Columbia in filling the vacancy on the Board of Railway Commissioners?

Hon. GEORGE P. GRAHAM (Minister of Railways): Mr. Speaker, so far as the government is aware there is no vacancy on the board.

THE GOVERNOR GENERAL'S SPEECH

ADDRESS IN REPLY

Consideration of the motion of Mr. Kelly for an Address to His Excellency the Governor General in reply to his Speech at the opening of the session, and the proposed amendment thereto of Mr. Sutherland, resumed from Monday, March 17.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): Mr. Speaker, I have been an interested and docile listener for two weeks, during which time I have learned a good deal, because no man can listen to any intelligent speech without getting some new angle on the questions that are being discussed. I have learned that it is hard to satisfy the opposition—in fact I learned that many years ago. In other years the government has been chided for its sins of omission in the Speech from the Throne, it has been chastised for the things that it has left undone; but this year it is being criticized for what it has done. In other years we were told that the Speech was too lean, that it was notable rather for what it did not contain; this year we are told it is too fat, that there is too much in it. It reminds me somewhat of the discussion over the British cattle embargo. Inspectors found some stockers too fat, and they had to be slaughtered; the next day they found some that were too lean, and as it took too long to feed them they could not be accepted either. It strikes me that the Speech from the Throne contains a good deal of meat. While I am not going into it in detail, may I be permitted to say, it looks as if it had thrown some consternation into the ranks of the party led by my right hon. friend opposite (Mr. Meighen).

Mr. MEIGHEN: And the country, too.

Mr. GRAHAM: My right hon. friend says, "And the country, too"—he being the country. It has been recounted in this House that certain highly respected gentlemen on this side have expressed views divergent from those which the leader of the opposition says appear in the Speech from the Throne, and that is looked upon as a tremendous blow to the Liberal party. Why, that is the pure essence of Liberalism: members of the Liberal party can differ on details and still be true to the great principles of Liberalism. What would have happened on the other side of the House if some member had got up and talked free trade? He would have had a very cool reception all through the lobby; the chances are that he would have moved out. That is the difference; members of the Liberal

party do not take carefully selected views of others as their own, but are at perfect liberty to express their own opinions; and when it is suggested that the views expressed by certain gentlemen on this side were really an explosion, I want to say to hon. gentlemen opposite that those who so express themselves are but following out the instincts of real Liberalism.

I think that my right hon. friend the leader of the opposition's trouble is religious in its character, and that his depression is caused by certain views he holds—I do not mean church union views. There is a large sect the members of which face the east when they pray, but since December, 1921, the people of this country have compelled my right hon. friend to face the West when he prays in this House. That to my mind accounts for the great depression.

Certain references have been made to the Canadian National Railways. While I do not intend to enter into any lengthy discussion of that great national undertaking, I do wish to say a word or two. It is the greatest undertaking of its kind in the world, and it is the longest line of railway. The difficulties surrounding its management, semi-parliamentary and semi-private, are very great; no one understands them better than I do. The present management has a task unprecedented, a task that was not imposed on the former management. Sometimes we are apt to forget, in making comparisons, that in former years, prior to the time that Sir Henry Thornton became president of the Canadian National Railways, there were two systems, managed by two boards with two presidents, the Grand Trunk, and what then comprised the Canadian National Railways. These two have been merged, and the load upon the president at the present time far surpasses the load placed on the shoulders of the head of any other railway system in the world. To amalgamate these two staffs, to get them in working order, to bring together men who had been keen competitors in the years gone by, was a task in itself that would try the mettle of any man, however great. That friction cannot be wiped out in a few days or in a few months, but the management of the road and the service that it gives are, I think, an evidence of the fact that these wrinkles are fast being ironed out.

Some person has said that the President of the Canadian National Railways makes mistakes. So he does. There is only one class of people that make no mistake. They are dead. The live man, the man who is alert and who is putting every pound of energy behind his job, is sure to make mistakes. If the errors made by the managements of private companies were discussed year by year before this House and the country, it would be found that Sir Henry Thornton had made fewer mistakes than the average man who manages a big concern. I think it was a mistake at that time to acquire the Paris building; I have no hesitation in saying that—Liberalism is free to express its opinion. But it will not be so grievous a mistake as some people are trying to make the country and the world believe. The greatest enemies of the Canadian National Railways are not found among the men who honestly oppose government ownership; its real enemies are those who, while pretending to be its friends, take advantage of every opportunity to decry it. A sample: At one of those very large meetings held in the province of Quebec—perhaps more than one—which my right hon. friend attended, he had with him a former colleague—a colleague on the weekly instalment plan, I might say, because he was there but a very short time. This gentleman had the temerity, in the presence of my right hon. friend, to refer to Sir Henry Thornton as a "foreigner"; to say that the Government of Canada had appointed a foreigner to manage the Canadian National system. I want to ask this House, since when did a British subject become a foreigner? Why was it said? A little cheap clap-trap in order to make the railway men of Canada and the people generally believe that we had brought in a foreigner to manage a national enterprise. Sir Henry Thornton originally was an American. Trained on one of the best-managed railway systems in the world, the Pennsylvania Railroad, he went to the Old Land and was given very important work by the Allies during the war; and so competent was he in that work that His Majesty the King called him in and knighted him in recognition of his services to the Allies. This man comes to us a British subject not by birth but by choice. And, forsooth, in order to get a few hand-claps and to make capital against him, an ex-minister of the Crown of the Dominion of Canada refers to him as a "foreigner." The people, Sir, resent that kind of thing. Our forefathers, a great many of them, were foreigners, but they came to this country and applied themselves to its development, and the sturdy race we see in the Dominion of Canada to-day is the offspring of these men whom the gentleman, a former minister of the Crown, would describe as "foreigners."

Mr. MEIGHEN: Perhaps the hon. member may be misinformed. I do not know to whom he refers, but the only one I heard refer to Sir Henry Thornton was Hon. Mr. Monty, speaking in French, and I do not know what the French word was that he used.

Mr. GRAHAM: I think my right hon. friend understands French pretty well, because he read French to us the other day and then translated it. There is no question but that the gentleman referred to Sir Henry Thornton as a foreigner. I have the reports in several papers up in my room.

Mr. MEIGHEN: I do not want to interrupt, but the reason I mention it is this. It will be recalled that on a former occasion in the case of Lord Dundonald, a reference was made to him in the French language as a foreigner. It was so translated into the English language, but the explanation given showed that the French term had an entirely different meaning.

Mr. GRAHAM: I read it in a Conservative newspaper.

Mr. MEIGHEN: An English paper?

Mr. GRAHAM: An English paper, but if it had not been the proper translation, surely, surely such an attack would not have gone this long unanswered. My right hon. friend must have read it.

Mr. MEIGHEN: I never read it.

Mr. GRAHAM: Well, is that not interesting. He did not even read his colleague's speech. He did not understand it in French, and he would not read it in English. I am making no plea for Sir Henry Thornton, but what I ask the people of Canada to do is this: Give the manager of the road, the president and the board who have undertaken this great work on behalf of the people of Canada, at least the same chance for success, as is given the manager of a private company.

Some person has suggested that the capitalization of the Canadian National Railways might be reduced. That is a very large question, and I just want to place this viewpoint before the House. There are many securities out against the units that form the Canadian National System, and to write down the capitalization would be to retire these units. It is not as easy a proposition as it looks. It must be remembered that the Intercolonial railway, the Prince Edward Island railway, the National Transcontinental, and the Hudson Bay railway, are not in the capitalization. These roads have no capitalization, having been constructed by the government. There have been certain amounts charged to the railways, but they are put in what is called the inactive list and are paying no interest at the present time. It might be possible some day to consider the question of writing off these amounts which are charged to the Canadian National System as loans.

Now I want to have a word with our manufacturing friends. This House should not be led to believe that the manufacturers of Canada as a whole are against the sales tax. We who are members of the government have in our desks and on our files many letters written a year ago by men who are now complaining but who then asked the government to do just what we did with the sales tax—put it in one amount, in one place. I want to say, further, that some of the men engaged in the largest industries in this country have during the past ten days informed me that notwithstanding what the Manufacturers' Association has officially said, they are and always have been in favour of the sales tax, and they urged the government through me not to remove the sales tax as it was most equitable. Further they pointed out, which was the truth, that in not a few instances the sales tax is lighter than the tax paid the previous year. I know it is unpleasant to pay taxes; nobody likes to do it; it is uncomfortable at times. I am a firm opponent of capital punishment, Mr. Speaker, and the only time and occasion when I doubt the soundness of my opinion on that subject is when I hear or read the words of men who got rich during the war and who are now kicking about paying their share of the cost. These men before the war, lived in ordinary residences like most of us, but they now live in palaces. Before the war they felt like saying "Thank you" and felt honoured if they were allowed to stand on the running board of a Ford car; but now they ride up in a Packard and say: Cut down the taxes! cut down the taxes! I am not a communist, but if anything would lead me to squint in that direction it is the chattering of these men who made their wealth out of the war, and who are able to pay, but who now refuse, or are trying to get out of, paying their share of the taxation. Taxes must be imposed; taxes must be collected. Are we ashamed of the part we took in the war? No. The mothers of the boys who lost their lives in the war are wearing emblems to-day indicative of the bravery of their sons, and they feel honoured in being allowed to wear them, though wearing them in sorrow. The

wives of the men who lost their lives during the war are also wearing these emblems with the same proud satisfaction. As a tax payer of Canada I am proud of the honour of paying my share of the war taxes of this country. I look upon that as an emblem of the part I am allowed to take. The war was not over when the armistice was signed, the financial war was just beginning; and we in Canada must face those difficulties. We must face taxation; we must face all the problems that the war has brought to us. And we are not worthy of the boys who laid down their lives if we shrink from that duty.

If I might be allowed to correct my right hon. friend, the leader of the opposition, again —for he leads his innocent following astray at times—the other day, when the Prime Minister (Mr. Mackenzie King) was discussing the Canadian National Railways in connection with the debt, my right hon. friend interposed with these words:

> Mr. Meighen: I am grateful to hon. gentlemen for their applause, but I do not need it. I was only going to ask the Prime Minister if he would be good enough to tell us how much of an obligation the country has incurred by guarantee of railway bonds, which is the plan this government has taken instead of lending the money directly out of the treasury.

Now, the Ottawa Journal, believing that there had been no bond issue by the former government and that all the carrying charges and indebtedness had been paid out of the treasury, fell into this trap.

> Among the chief reasons for the debt increase in 1921-22 the railways now resort to bond issues.

I might read a little before that:

> Surely the Prime Minister knows better than that. For what are the simple facts? Simply that Mr. King's government has changed the system whereby instead of making loans to the Canadian National Railways—among the chief reasons for the debt increases in 1921 and 1922—the railways now resort to bond issues.

Now that is not the case. There was a bond issue in 1920-21 of $50,000,000, and for Canadian Northern short term notes there was an issue of $11,000,000, making a $60,000,000 bond issue for that year 1921-22 which is the year referred to by the Journal. The readers of the Journal have been led astray, and I think it is my duty to correct that wrong impression because the system has been for years, could not be otherwise, than that at certain intervals there was a bond issue. Mr. Fielding—excuse me I am referring to him in that way in his absence—the Finance Minister in 1922-23 did what the Journal says the preceding government did. There was no bond issue in 1922-23; the Finance Minister under this government paid out some $85,000,000 to the railways and had no bond issues. Had there been a bond issue in 1922-23 the surplus that year would probably have been something like $50,000,000. This year there has been a bond issue of $50,000,000 and an equipment issue, which is a separate thing.

Mr. MEIGHEN: How much to equipment?

Mr. GRAHAM: If I remember right the issue is $22,500,000. I am free to say this that if the errors as to bond issue had been left out the right hon. gentleman would be right in saying there was a larger amount loaned to the railway out of the treasury than there was during the past year; there is no question about it. But the railway situation is getting better, it must be improving else we would be in a sad dilemma. But the returns show it is improving, and this year there is to be a payment out of the treasury I think of some twenty-four or twenty-five million dollars. I am expressing my own view now when I say it appears to me that as the conditions improve on the Canadian National Railways, what is strictly capital expenditure should be provided for by bond issues, and the people at the present time should not be taxed for what is rightly capital expenditure tending to improve the property and to bring better returns to the railways. Under the Inter-state Commerce Commission laws it would be impossible to do anything else, because the railways of the United States are not allowed to expend out of operating surplus any amounts for truly capital expenditures. The principle is clear. Money earned by railways belongs, after the current overhead charges are paid, to the shareholders, and no company has a right to take the money of the shareholders, earned in a proper way, and use it in capital expenditure. The principle further is, that money gained in operation ought to go to the shareholders for their dividends, and to the reduction of rates. I am expressing my own views when I say I believe the principle ought to be adopted on the Canadian National Railways, and it practically is at the present time, that railway capital expenditure ought to be provided for by bond issues extended for a term of years, at least as long as the betterments which have been constructed will last, and the balance if any in Canada will have to be raised by taxation.

Now. Sir, leaving the Canadian National Railways and the question of bond issue, may I turn for a moment to the things that took place at the Imperial Economic Conference, and I must be excused for again saying to

my right hon. friend that I think he led some of his followers astray in what he said on this matter. It is a kind of impediment to good government to have such implicit confidence in one's leader that the members of a party fail to turn up the facts for themselves.

An hon. MEMBER: That is the case over there.

Mr. GRAHAM: Even the whip of hon. gentlemen opposite will not allow me to compliment his leader. In reference to what took place at the Imperial Economic Conference there is apparently a misapprehension abroad judging by some speeches I have heard, particularly that of the hon. member for Yale (Mr. MacKelvie). The hon. member said, if I remember correctly, that the Prime Minister of Canada sat silent and did not say a word at the Economic Conference, although things were transpiring that were of much interest to Canada. The hon. member mentioned preferential duties on fruit, and particularly apples, if I remember correctly. I want to tell him now that the man most responsible for having apples placed on the preferential list at that conference was the Prime Minister of the Dominion. So far from sitting silent he was very active in regard to every question. I know my hon. friend will say "I did not see it in the official report" which the hon. gentleman said he did not read. There were two conferences. It was the first time in the history of the Empire, I think, that two conferences took place simultaneously. Previously the Imperial Conference included the Imperial Economic Conference. On this occasion there were two conferences, the Imperial dealing with the larger lines of Imperial matters, and the Economic Conference dealing with economic questions. Of necessity, as the right hon. leader of the opposition will know, the greater part of the proceedings at the Imperial Conference proper were of a confidential nature and could not be published, but I sat beside the Prime Minister time and again in that conference. He was one of the most active spirits in it; and without giving away any secrets, policies that I have since heard announced were advocated by the Prime Minister of Canada. He was very urgent at that conference that each part of the British Empire, each dominion, should have a right to sign its own treaties where the matters in question affected only that particular dominion. The Imperial Conference unanimously adopted that conclusion. There are others to which I might refer but I will not detain the House.

I want to come now to the question of preference. Some people have the view that Canada should approach the Motherland as she approaches other countries in the matter of trade. That has not been the policy of the people of the Dominion of Canada. This country gave a preference to the Motherland in the time of Laurier and Fielding, against some opposition but because these men and the people of the Dominion thought it was a wise thing to do. It would knit more closely the relationships between the outposts and the centre of the empire, and in addition to that it was best for the people of the Dominion of Canada. Never was Great Britain approached by Canada in a bargaining spirit, but this preference was given to her out of the hearts of the people of the Dominion of Canada—not altogether altruistic because the people of Canada believed, and it has turned out to be true, that giving a preference to the Motherland would be for the benefit of our own country, the Dominion of Canada. When the Economic Conference opened the Prime Minister was there, as he was always on the spot when duty required in the Old Land. I will not read all his remarks on that occasion, but I will read what he said concerning the question of preference. It as as follows:

> Mr. King: Perhaps I had better leave the question of Preference for more mature and careful consideration at some sitting of the Conference when that subject will be specially discussed. I should like to say this, however, with regard to trade Preference, that Canada feels not a little pride in the circumstance that she was the pioneer in granting a preference to British goods. At the present time we are giving a preference averaging 33⅓ per cent, or more, on all goods coming from Britain and also from different parts of the Empire. In the last session of our Parliament, we made a slight additional increase in the preference by undertaking to give a discount of 10 per cent of existing duties on any British goods that came through Canadian ports. We had in mind there development of trade by the "All red" route, but we had also very much in mind the action of the British Government in undertaking to remove the obstacles to the importation of our cattle into the British markets here. Throughout, the Canadian attitude in the matter of Preference has been one of goodwill; it has been based on goodwill; bargaining has not been the basis of it. We have done what we have done believing it would be to our advantage, but believing also that it would be helpful to the countries to which the preference was extended, and especially to the Mother Country; and I would like to repeat that the action we took at our last session in increasing the preference was due primarily—and I can speak with a knowledge of the circumstances which governed it—to the action of the British Government in meeting us, as they did meet us, with respect to an important commodity of trade and commerce. Now that spirit of seeking each other's mutual advantage will, I believe, go further than anything else to help to build up the trade and further the industrial development of the Empire.

Sir HENRY DRAYTON: Would my hon. friend be kind enough to tell us what he is reading from?

Mr. GRAHAM: I am reading from the proceedings of the conference, as published in the Times. He will find it also in the official report of the Economic Conference.

Sir HENRY DRAYTON: As tabled?

Mr. GRAHAM: Yes. I think a copy was placed in the box of every hon. member. The right hon. leader of the opposition (Mr. Meighen), in one of his speeches at one of these small gatherings in Quebec made reference to what your humble servant had said or had not said. The quotation only went this far in the papers.

Now note what Mr. Graham said.

The discussion branched off into something else, into some other line, and I think it is only fair to myself that I should put on Hansard what I said, following up the speech of the Prime Minister, because it is very essential to the people of Canada, to the people of the British Empire, and to the people of the world, that they should understand Canada's attitude on this question of preference, and I believe the attitude taken by the Canadian representatives in London is the attitude of the people of Canada. This is from the official record as well, and occurred at the opening of the preferential discussion—

I do not know that I can say anything further as to the Committee. I am not in favour of Royal Commissions except to do things which we do not want to do or cannot very well do ourselves, but in regard to this question of the Tariff I want to repeat what I said before, this is the proposition made by the British Government, this is the best proposition they can make. I am bound to say that it will help some of the other Dominions more than Canada, but it will help the Empire, and it must not be considered that it is really missionary work among the Dominions because the first thing the British Government must look after, as the first thing that the Dominion Governments would look after, is the interest of their own people, and as far as Canada is concerned, we are glad to accept that proposition without any discussion. If the British Government desire to enlarge it that might help us but it is their business primarily and not ours. After all, trade is developed on sentiment to a certain extent, and I can assure you that the Canadian people, if they can, on equal terms, would prefer to buy British goods rather than American goods. The feeling at the present time is that our friends across the line, and these are really the only neighbours that we have in trade in close proximity, have raised the bars so high that though the action may be aimed at us it will injure them to a certain extent and eventually they will probably reduce these duties. But that is their business again and not ours. In the meantime we should like to develop wider trade in every respect with our relatives within the Empire, in all parts of it, but for practical purposes, as it is your duty to look after the interests of your people, we are compelled at every step to keep in view, as the paramount question, the interests of the people of the Dominion of Canada.

I want to know if that is a fair position to take or not. Where is the criticism? Where is there something that is worthy of criticism in this attitude? At the very beginning of the discussions on preference we tried to make our position clear. But let me follow that up a little further—and the House, I am sure, will pardon me for reading these extracts, as I find it impossible to place the viewpoint clearly before this House in any other way. Further, it must not be forgotten that the real negotiations at these conferences did not take place in the conference, they took place at private conferences outside. And the Prime Minister (Right Hon. W. L. Mackenzie King), the former Minister of Justice (Sir Lomer Gouin) and myself occupied as much time having conferences and holding meetings for discussions with the members of the British government as we did in the conferences themselves; and the result, as shown in the records of the Economic Conference, is, to quite a large extent the result of private agreements which were made binding—so far as conferences can make them binding—when the conference met. I wish to read a letter to make it clear that whoever says that the Prime Minister was silent got the wrong tip from his leader. Here is a copy of a letter which is not even in the official record, it is just correspondence. The House will understand, as I said before, that many private conferences took place, and the result of these conferences was crystalized into resolutions at the conference, if all were agreed. The Prime Minister, acting with his colleagues, had discussed certain matters with Sir Philip Lloyd-Greame, the chairman of the Conference, and as a result this correspondence took place. First, we have a letter to the Right Hon. Arthur Neville Chamberlain, M.P., Chancellor of the Exchequer, from the Prime Minister of Canada (Right Hon. W. L. Mackenzie King) which reads:

Dear Mr. CHAMBERLAIN:

I enclose a copy of a letter which I have just sent to Sir Philip Lloyd-Greame as Chairman of the Imperial Economic Conference. It contains, in the form in which we should like to present it, the reply to your request for our opinion of the proposals submitted and for suggestions as to how, in the event of other fiscal changes being made, the interests of Canadian producers would be most effectively furthered by a preference.

I notice in one of the morning papers an intimation that the government is contemplating subsidizing shipping freights for goods coming from Australia and New Zealand, so as to cheapen the cost of placing their main exports on the home market. This probably is nothing more than surmise. If by any chance, however, the government is considering subsidizing shipping freights, I sincerely hope that what may be done in this regard for any of the British Dominions, will be done in like manner for Canada.

Yours sincerely,

W. L. MACKENZIE KING.

I desire to read another letter which goes to show what the Prime Minister and his colleagues were doing. They were not always attending dinners, even in the evening, they held a consultation every night and almost every morning as to the views to be expressed before these two conferences; and notwithstanding what may have been stated in the press in any part of Canada, let me say that the views expressed at these conferences by any individual of the Canadian representatives were the views of all three representatives:

The Ritz Hotel,
London, October 23, 1923.

The Right Honourable
Sir PHILIP LLOYD-GREAME, K.B.E., M.C., M.P.,
President of the Board of Trade,
Great George Street, S. W. 1.

My dear Sir Philip:

My colleagues and I have been considering with care the proposals as to preferential duties put forward by the Government of Great Britain at the meeting of the Conference on October the 9th, and which I discussed with you in our conversation at the Board of Trade on Saturday morning.

These proposals, which it was observed were within the framework of the existing fiscal system of Great Britain, will, we believe, be received in Canada with due appreciation as of distinct value to Dominion producers.

On two subsidiary phases of these proposals, questions have been put for consideration by the Dominion representatives.

(1) The duty on "other dried fruit" is proposed to be imposed on "such fruit, e.g. apples, pears, and peaches, as the Dominion representatives may consider of interest to their trade."

That is in a letter written by the Prime Minister of Canada, and I desire to call the attention of the hon. member for Yale (Mr. MacKelvie) to these words—"Apples, pears and peaches."

The dried fruits suggested, in addition to those already included, appear to comprise those in which our producers are chiefly interested.

(2) As to tobacco, two alternative proposals are made, stabilization of the existing duty over a term of years, or an increase of the preference from one-sixth to one-fourth. An increase of the preference would, in our belief, present most in the way of advantage to the producers of tobacco in Canada. As to the course which the British Government and Parliament should follow, we would not venture to express an opinion.

More important are the general issues raised in the statements made by yourself in your presentation of the present proposals, and by the Chancellor of the Exchequer. I may quote from the statement made by the Chancellor:

"We want you to tell us whether what we have proposed is going to help you, whether our proposals can in any way be improved, and if so, in what direction. That does not bind us to accept any suggestions that you make to us, any more than you are bound to accept any suggestions we may put to you as to what we might desire by way of increasing our trade with you; but it does give us the opportunity at any rate of realising what the position is, and then it will be for us to say whether, consistently with the interest of our own people here, we can carry out what you have suggested to us."

In response to this welcome overture, I have pleasure in giving you a brief statement of our position.

Canada has been the pioneer in the modern development of preferential trade within the British Empire. She gave us the first preference to British goods in 1897-8, and took the initiative in requesting the abrogation of treaties which stood in the way of Imperial preference. This policy she has steadfastly maintained. The Canadian preference now covers, in varying degrees, practically the whole range of competitive British exports to the Dominion. During the last session of Parliament, a ten per cent. discount on existing duties, constituting a further increase in the prevailing preference, was provided in the case of British goods imported through a Canadian port. Canada has given preference in her own interest as well as in what she conceived to be the interest of the rest of the Empire. It has never hitherto, in the case of the United Kingdom, been made conditional on the grant of an equal preference in return. We have at all times recognized the importance of conceding to each Government concerned the right to legislate as its own interests might demand, on tariff matters, or, in other words, complete control over its own fiscal policy. Should the British peoples decide at any time that it will be in their own interests as well as what they conceive to be the interests of the Empire to make far-reaching changes in their present fiscal policy, Canada will naturally expect that in the establishment of a tariff, full and adequate consideration would be given, through preferential duties, to the interests of Canada's producers and to the substantial preferences which Canada accords to British goods.

Coming specifically to the proposal of the Chancellor of the Exchequer that we state what preferential duties would be of most advantage to our producers, and noting that the Chancellor quite properly observes it will be for the British Government to consider whether such duties would be in the interest of the British people, I now outline some of the chief Canadian exports to Great Britain in which an effective preference would be of most value. The list, of course, is not exhaustive.

Wheat obviously comes first and easily foremost. It is our most important article of export: the quality is unquestioned; the market is now highly competitive; Canada's export surplus is greater than the total British import.

Next in export importance among the grains comes barley, of which Canada normally produces sixty to seventy million bushels, and exported to the United Kingdom last year about ten million bushels.

Milling, particularly of wheat flour, ranks high among Canadian industries. It is closely and naturally connected with our agricultural industry. The production of flour normally runs about 15,000,000 barrels; last year our exports reached nearly 7,500,000 barrels, of which nearly 5,000,000 came to the United Kingdom. The industry is capable of very great expansion if greater markets are opened. Flour is, of course, a commodity of which the production and milling capacity in Great Britain is large. The effect of a duty would, therefore, depend very largely upon the extent to which the Canadian miller was put in a less advantageous position than the British miller; a duty which was distinctly protectionist rather than preferential would not, in the long run, we believe, be as advantageous to Canadian millers as the existing situation.

Of the other agricultural products, excluding those already covered, the most important are fresh fruits, apples, peaches, pears, and plums, all of which Canada produces in unexcelled quality, and, especially in apples, in very large quantities, with difficulty at present in finding profitable markets (for Canada, a preference on fresh fruits is of much more importance than on dried or preserved fruits); cheese, butter

and eggs, bacon and hams, canned vegetables. Of our fishery products, canned salmon, which is faced with competition from the United States, Japan, and Russia, would at present be most helped by a preference.

I want hon. gentlemen from British Columbia to note these lines, because
4 p.m. the Canadian representatives urged that apples and salmon should be put on this list, and they were.

Of our fishery products, canned salmon, which is faced with competition from the United States, Japan, and Russia, would at present be most helped by a preference.

Our forest products, with due observance of conservation principles, are capable of great expansion, notably lumber, newsprint paper, millboard and strawboard, and chemical and mechanical pulp. Canada has also large resources in ferrous and non-ferrous metals, and in the non-metallic minerals, which a substantial preference would assist in developing. Our iron and steel and other metal industries, including agricultural implements and electrical apparatus, our wood-working, rubber and other manufacturing industries would supply a wide range of products.

I understand it is not your desire at this stage to obtain other than a very general statement. On all the above, and any other branch of Canadian industry which might be included within the range of duties to be imposed at any time ,our Government would be pleased to avail itself of the opportunity, as occasion arises ,of making suggestions in further outline and in detail.

Yours sincerely,

W. L. Mackenzie King.

I went to the trouble of reading this because some of the criticisms concerning the Prime Minister are so at variance with the facts that it is but fair to him, to the country, and to this House, that his work at the Imperial Conference and the Imperial Economic Conference should be placed on Hansard in order that the people may appreciate just what service he did perform in the interests of the Dominion.

Now, in addition to the letter which I have read, I took the liberty of presenting a memorandum to the Economic Conference as the enlargement of the Canadian attitude towards the British preference. I must again ask the indulgence of the House while I read this extract from my presentment to the conference:

I would like to call the attention of the conference to this phase which I am now going to present, but to which I made reference yesterday. That is the allegation that has been made time and again in the press, that Canada is merely a place for the assembling of products of other countries to be forwarded to Great Britain in order to secure the benefit of Great Britain's market.

The statement is sometimes made here in the press and in public discussion that Canadian manufactured goods are not rightly entitled to a preference in the British market, as they are not really manufactured in Canada, but are merely assembled from imported parts and sent over here as Canadian products. It may be pertinent to our discussion to-day to state that this conception is wholly erroneous. It could not survive a visit to Canada's manufacturing centres or a study of

[Mr. Graham.]

the statistical reports of the development of our industries.

Our chief manufacturing industries are based primarily on the natural resources and extractive industries of Canada. For example, our two largest manufacturing interests, flour milling and meat packing, represent the two broad divisions of Canadian agriculture; our third largest is lumber; our fourth, pulp and paper; and our fifth smelting. Of scores of our other largest industries—based in part, according to the universal practice, on imported raw materials—it needs but to mention them to note that they are wholly Canadian, as for example our textiles, rubber goods, chemicals, agricultural implements, boots and shoes, etc.

The British people have in general exactly the same measure of assurance that goods which come from Canada and claim preferential tariff rates are distinctively Canadian as the Canadian people have that goods which come from Britain and claim our preferential rate are distinctively British. When Canada first granted a preference to British goods, complaints were raised that German and other goods were coming through Britain and securing the benefit of our preference. It was therefore provided that no goods imported into Canada should be entitled to the preference unless at least 25 per cent of the value consisted of British labour and materials. When this country adopted a limited preferential system a few years ago, it adopted the same rule.

But it is not merely on these general considerations that I wish to rely in repudiating the reckless statements that have been made, I may take the specific items which bulk largest in our export of manufactures to Great Britain and to the Dominions and India. Paper, particularly newsprint, takes a high place in this list. It is a 100 per cent Canadian product, made in Canadian mills from Canadian wood. Wheat flour and rolled oats are also widely exported, again, made in Canadian mills from Canadian wheat and Canadian oats. Sugar now comes first among our exports to Great Britain which receive a preference. While we grow larger quantities of sugar beets in Canada, our raw material in this case comes preponderantly from outside, but the refineries are out and out Canadian; and further the sugar which we use for our exports to Britain is drawn mainly from the British West Indies, to which Canada gives a very substantial preference. Under the British regulations, the preferential rates apply only to sugar produced within the Empire; and by a further application of this principle, which goes beyond anything in our regulations, preference is not accorded on jam or condensed milk, unless the jam or condensed milk is made in Canada, and the sugar used is refined in Canada from raw sugar grown within the Empire. Automobiles are another large factor.

And this is very interesting.

In some instances, our motor factories began as assembling plants, but this stage has long been passed. Our motor factories are substantial and efficient organizations, carrying the process of manufacture from the ground up; it is almost exclusively from these factories that the half million cars which Canadians themselves now use, have been drawn—one car for every four families. Engines, radiators, axles, wheels, springs, sheet metal work, hardware, upholstery, tyres, are all manufactured in Canada; one company draws upon 485 Canadian sources of supply. Of the two cars of Canadian make most largely imported into Britain, not 25 per cent, but, in one case 60 per cent and in the other, 80 per cent of the cost is represented by material and labour of Canadian origin; and in the case of the car chiefly exported to other parts of the Empire, the percentage runs still higher. It is not necessary to go into further detail; the items mentioned constitute the bulk of our export of factory

products; the same story would be told of the great majority of other manufactured exports.

I apologize for taking so much time. I think I have gone far enough into the subject, both generally and in detail, to explain our position. I wish again to say how thoroughly we appreciate what the British Government has seen fit to do in its proposition.

Sir HENRY DRAYTON: Is the hon minister reading from correspondence?

Mr. GRAHAM: I have read from nothing except what is in the official record.

Sir HENRY DRAYTON: I thought my hon. friend said a moment ago that he was reading letters which were not in the record. Perhaps the letters he has read are contained in the correspondence which has already been tabled? I am asking merely for information.

Mr. GRAHAM: No.

Sir HENRY DRAYTON: Then I ask my hon. friend whether the correspondence—I am not referring to the official record—has been tabled or not?

Mr. GRAHAM: There is no objection to tabling it right away. As I explained at the outset, the letters are not in the official record. What I have just read is an extract from the official record.

I mentioned a moment ago that what might appear to be a preference on our flour would probably be no preference at all. For example, this commodity is now allowed free into Great Britain. British millers are capable of milling their own flour. Suppose Great Britain imposed a duty on flour, then, even if Canada were accorded preferential treatment, our millers would not be in as good a position in the British market as they are at the present time, because what appeared to be a preference in favour of Canadian flour would in fact be a great benefit to British millers, a punishment to our millers, and a greater punishment to foreign millers. So your representatives thought it was in the interests of the flour industry of Canada to urge that unless a duty were put on foreign flour, and Canadian flour still remained free, it would not be preferential treatment to the Canadian producers at all, but would leave them in a worse position than before.

With respect to motor cars, this industry has greatly increased its exports to Great Britain under the preferential treatment given to Canada. Under the preferential tariff our trade has increased most in three commodities—sugar, moving picture films, and motor cars. Perhaps the House will bear with me while I read a few figures to show that the preference accorded by Great Britain is of great benefit to the Dominion. This table has been prepared by the Bureau of Statistics and shows that during the past five years our exports have increased to a very substantial extent. For instance, our export of automobiles has increased from a value of $713,920 in 1919 to $9,110,752 in 1923; sugar, from $3,185,853 in 1919 to $13,641,327 in 1923; unmanufactured tobacco, from $35,911 in 1919 to $248,374 in 1923; moving picture films, from $130,953 in 1919 to $707,964 in 1923. There is no question that a preferential tariff, if Great Britain saw her way clear to give it to us, would be of aid to Canada, but as I said before, the fiscal policy of Great Britain is in the hands of the electors of Great Britain. While we are glad to accept a preference, as we have given them a preference, the fact still remains that so long as the great British market is wide open to the Canadian people, and until they see fit to give us a preference, we will meet our competitors in that market on the present terms.

I know it is tedious reading, and I fear that it will be tedious listening, but I think it would be wise to put on Hansard the specific proposals that the representatives of Great Britain made at this Conference, so that the information may be available to hon. members who may wish to deal with the matter among their constituents or elsewhere. These were not the original proposals, but they were the complete proposals, including the additions,—apples and several other things—which are of particular interest to Canada and which were made largely at the request of the Canadian representatives. If hon. gentlemen will refer to page 241 they will find a summary of the proposals. I quote:

Dried Fruit.

At present dried figs, raisins and plums (includes apricots) are dutiable at the rate of 10s. 6d. per cwt., if from foreign countries and enjoy if of Empire origin a preference of one-sixth, i.e., of 1s. 9d. per cwt.

It is proposed to admit these goods free of duty from the Empire so that Empire raisins, figs and plums will enjoy a preference of 10s. 6d. per cwt.

Currants.

At present dried currants are dutiable at the rate of 2s. per cwt. and enjoy a preference of one-sixth, which on the existing duty only amounts to 4d.

His Majesty's government are prepared to offer free admission to Empire currants and to consider what increase in the duty on foreign currants may be necessary to make the preference effective, such increase to come into force at a future date to be agred upon.

Other Dried Fruit.

At present there is no duty on any other dried fruit, but whilst continuing to admit such Empire dried fruit free, His Majesty's government would propose to impose a duty of 10s. 6d. per cwt. on such foreign dried fruit (e.g., apples, pears and

peaches) as the Dominion representatives may consider of interest to their trade.

Other Preserved Fruits.

Preserved fruits other than those mentioned above are not dutiable save in respect of sugar contents, if any. It is proposed in addition to any such duty on the sugar contents to impose an all-round duty of 5s. per cwt. on the principal forms of preserved fruit not at present dutiable, except fruit pulp for jam manufacture, which will remain free of duty. All such fruit will be admitted free from the Empire.

Sugar.

At present sugar is dutiable according to a scale dependent on the polarisation of the sugar with a basis rate of 25s. 8d. per cwt. on fully refined sugar. Empire sugar enjoys a preference of one-sixth or 4s. 3½d. per cwt., being nearly a halfpenny a pound on refined sugar.

It is not possible at present to offer an increase in this preference, but His Majesty's government are ready to guarantee that if the duty is reduced the preference shall for a period of ten years not fall with it, but be maintained at its present rate of nearly ½d. per pound so long at least as the duty on foreign sugar does not fall below that level.

Tobacco.

At present the duty on tobacco varies according to kind, being of course higher on cigars than on unmanufactured tobaccos. On the latter it is about 8s. 2d. per lb., on which the Empire enjoys a preference of one-sixth, or, say, on raw tobacco of 1s. 4d.

His Majesty's government would be prepared to adopt the course proposed in regard to sugar, i.e., to stabilise the existing preference for a term of years or alternatively they are prepared to increase the preference to one-quarter, i.e., to about 2s. on unmanufactured tobacco at present rates, the amount of the preference of course varying as the basis varies.

As a result of consultation with the oversea representatives concerned, it has been decided to adopt the second alternative, i.e., to raise the preference from one-sixth to one-quarter.

Wine.

The proposals are:

1. To double the existing preference of 2s. per gallon on the duty of 6s. per gallon on wines of a strength exceeding 30° and not exceeding 42°. The rate of duty on such wines coming from the Empire would thus become 2s. per gallon.

2. To increase from 30 per cent to 50 per cent the preference on the surtax of 12s. 6d. per gallon on sparkling wine.

I am sorry that the hon. member for Wentworth (Mr. Wilson) is not here, after his remarks of last night, to hear about the decision of the conference on wine. Now, coming to something which is of particular interest to Canada—and this is from the official record again; what I am going to read now was not included in the first proposals—

Mr. SUTHERLAND: If the hon. gentleman will permit me, I understand the statement was made that by reason of the preference which Canada now has in the British market, enormous quantities of automobiles were exported to that country from Canada, also sugar and some other items. Would the hon. member tell us what the tariff is against these articles? I think the statement was made that the British market was wide open to Canada, and also that Britain had no tariff; that she was a free trade country. How comes it that Canada has a preference on these articles, and if so what is the tariff against them?

Mr. GRAHAM: I have not the tariff at my hand. Great Britain has a tariff, in some instances, but where Canadian products are allowed to enter that market free and a tariff is imposed against similar goods from other countries, that is the essence of protection in our favour.

Mr. SUTHERLAND. It is the existing tariff that I am asking about.

Mr. GRAHAM: I have not the existing tariff with me. I was reading that quotation from the memorandum to show that the British preference was of some use to us and that it undoubtedly might be of further use to us.

Mr. MACLEAN (York): May I ask whether the regulations defining the percentage of manufacture in Canada required in the case of automobiles exported from this country to Great Britain have been somewhat modified, and whether greater freedom is allowed in the bringing of parts of automobiles from outside into Canada and the shipping of them across as Canadian made?

Mr. GRAHAM: The percentage of Canadian labour and manufacture that must enter into the exported product is still necessary to entitle it to the preference in the British market.

Mr. MACLEAN (York): Is it defined to what it must be in regard to automobiles?

Mr. GRAHAM: It must be 25 per cent.

Mr. MACLEAN (York): And 75 per cent is made up in Canada, is that the idea?

Mr. GRAHAM: The law in Great Britain is that at least 25 per cent of Canadian labour or raw material must be included in any imports that get the benefit of the preferential tariff, and the same applies in Canada in the case of goods coming from Great Britain. As a matter of fact, as I tried to point out a few moments ago, in the automobile industry of Canada the amount of Canadian labour and raw material included is far in excess of 25 per cent. In the case of one factory it is, I think, 85 per cent, and in the case of another, 60. I doubt whether any of them run as low as 25 per cent. Year by year the

Canadian manufacturers are including in their products a greater percentage of Canadian labour and Canadian raw material.

Now, if I may be permitted to go on, I was coming to a very interesting part of these proposals. The next reference is to raw apples, which were not included in the first proposals made. The memorandum says:

Raw Apples.

It is proposed to levy a duty of 5s. per cwt. on raw apples of foreign origin and to admit raw apples from the Empire free of duty as at present.

Canned Salmon and Canned Lobster, Cray Fish and Crabs.

It is proposed that a duty of 10s. per cwt. shall be imposed on foreign canned salmon and canned lobster, cray fish and crabs, and that these goods shall be admitted free of duty from the Empire.

Honey.

It is proposed that a duty of 10s. per cwt shall be imposed on foreign honey, and that honey of Empire origin shall continue to be admitted free of duty.

Lime, Lemon and other Fruit Juices.

The proposal of His Majesty's government is that a duty at the rate of 6d. per gallon shall be imposed on foreign lime and lemon juices and His Majesty's government would consider a list of other fruit juices which the dominions regarded as of interest to their trade: Fruit juices from the Empire will continue to be admitted free of duty.

I must apologize to the House for reading these extracts, but I did not see how otherwise I could possibly place the case of Canada before the House as it was presented at the Imperial Economic Conference.

Now, I come to a question which is of vital importance to the Dominion of Canada, and that is the cattle embargo. I trust that the stock raisers of Canada will not consider me bumptious in attempting to deal with this question. Let me say at this juncture, lest I forget, that the representatives of the Canadian Civil Service and others who accompanied the delegation to London need not take second place to similar representatives of any country in the world. I think it is only just to the Civil Service of this country to say that every man behind us giving us the necessary information was the equal, at least, of his counterpart in the British Civil Service and in the service of the other dominions. We prized their work. Without their aid nothing could have been accomplished of any consequence, and what would have been accomplished would have been done in a rather slovenly manner.

The cattle embargo is not a new thing. For thirty years, except in one or two instances, Great Britain has kept her markets closed to the cattle of the Dominion of Canada. Time and again it has been pointed out by representatives of the Canadian government that this embargo was merely a subterfuge, and I use the word with its full meaning. The reason given for keeping our cattle out of the British market was the fear of contagion, while as a matter of fact, Canadian cattle have been free from any disease that would bar them out from the British market for many, many years. That was admitted long years ago, and in 1917 an effort was made by the Canadian government and, I think I can safely say, a pledge was given—by the British government, to have the embargo removed; but is was not brought about. In 1922 the Finance Minister and the present Minister of Justice in this government while in London came to a distinct understanding with members of the British government that an act would be introduced to provide for the admission of Canadian cattle into the British market. The terms of the act were agreed upon. There were, as a matter of fact, two acts. One provided as I have just intimated, and the other act, which was to be brought into force by proclamation or by order in council, provided for the admission of Canadian breeding cattle into the Old Land.

The first act was introduced in the British House of Commons, but an amendment was made to it while it was passing through parliament which nullified to a great extent its provisions. This amendment made it possible for an inspection to be held, and nullified to a certain extent the provisions of the act. In addition to that, the act which was to be brought into force by proclamation or by order in council never was so brought into force. As a matter of fact, we found when in Great Britain that the Minister of Agriculture in the Baldwin government was in our opinion, unalterably opposed to the admission of Canadian cattle into the British market; we may as well use plain language. Indeed, the Prime Minister (Mr. Mackenzie King) and myself were accused of being brutal in our frankness in dealing with this matter. I shall not trespass on the time of the House to read what we said in the Economic Conference but we were both roundly thumped in the London press for talking so strongly. We placed the viewpoint of the Canadian stock raiser before them in no uncertain way. Now the act is amended, providing for inspection that was never anticipated when the act was introduced or when the arrangement was made between the Finance Minister and the present Minister of Justice. And how was this inspection carried on? It was pointed out by your representatives at the Economic Conference, as a sample, that a load of cattle, of one hundred head, if I remember correctly, were shipped across the ocean, half of them

being landed at one British port and the other half at another. One-half of the cargo was admitted as stockers and the other half were nearly all rejected as being too fat. Thus by inspection the British government took into its own hands the power to tell the farmers of the Old Land that they could not buy the Canadian cattle they wanted to buy, although the British government had agreed with the Canadian representatives that they should be able to buy them. At the conference I had a number of photographs in my hand, and to my surprise some of these photographs showed that some of our Canadian cattle were rejected because they were too thin. That was the reason given in that case—these Canadian cattle that the British farmers wanted to fatten were rejected because they were too thin. It made a clear case that what the British government had in the back of its head was the protection of the cattle industry in Great Britain and the prevention of our cattle entering that market.

The injustice to the Canadian cattle producer was two-fold. Not only was there an injustice to the cattle raiser who sold his stock to be sent across the ocean, in that they might be slaughtered when they got there and he get only half price for them, involving a great loss on every head, but another injustice was done. The cattle that were considered stockers here, only partially fat and capable of being finished for a month on the other side, were slaughtered on the dock without being allowed to go to an abattoir, and this half-fed beef was sold on the British market as Canadian beef. Thus the reputation of our beef was injured, and a monetary loss caused in the slaughter of cattle that should have been still further fed. Remember too that Canadian cattle slaughtered bore the official stigma of disease although they had no disease.

Mr. SUTHERLAND: What number of cattle were shipped from Canada during the year the embargo was off, and what number the year previously?

Mr. GRAHAM: The Minister of Agriculture will give me that information in a moment. I also want to point this out in connection with the cattle embargo. When the question was introduced at the conference, no progress was made. I am afraid we were not in a temper to take excuses on this cattle embargo question. The case was compared by the Minister of Agriculture to a license given to a picture show, that it really did not mean what it said, that while the language of the act was quite plain to us and meant a certain definite thing, it was never intended to be enforced in that manner. As a matter of fact if the regulations had remained as they were when the Economic Conference met, Canadian cattle, stockers and all, would probably have been shut out of the British market.

Mr. SUTHERLAND: Slaughtered when they got there.

Mr. GRAHAM: They would slaughter them on the dock. They would not even go to the abattoir. We met in several subsidiary conferences, which were found to be much more helpful in straightening out some of the difficulties than discussion in the open conference. Let me say this in passing—and I am not passing nearly rapidly enough—that our former Governor General, the Duke of Devonshire, was a friend of Canada every inch of the way, and we owe a great deal to him for his efforts in straightening out this difficulty. We met in conference on several occasions and it was finally decided, after plain talk had been indulged in across the table, that the Minister of Agriculture was to place in writing with the Prime Minister of Canada what had been agreed on. I am afraid I will have to weary the House over this correspondence because it is not as yet on record, but this is really what was agreed on between the Minister of Agriculture of Great Britain and the Canadian representatives. Here is a letter, which was written by the Prime Minister of Canada:

The Ritz Hotel,
London, November 8, 1923.

Dear Sir ROBERT:

I am in receipt of your note of November 5th including memorandum re your proposed administration of the Importation of Animals Act 1922, insofar as it affects the admission of stores from Canada.

Your memorandum sets forth substantially the conclusions reached at the meeting in the Colonial office on October 31st. If your inspectors carry out the instructions contained in sub-clauses 1 and 2 of clause (b) of section three of your memorandum, we believe the export of store cattle from Canada to Great Britain can be carried on with quite a measure of success, and we wish to express our appreciation of the proposed changes in administration of the act.

In view of your Government's definite decision not to amend the law, or place the order for breeding cattle before parliament, in accepting the proposed changes outlined in your memorandum, and the proposal for reciprocal trade in pure bred cattle, we would like to have it clearly understood that Canada does not in any way abate her claim for the complete removal of the embargo against any of her cattle, and she will from time to time continue to press for the same treatment, in the matter of "Diseases of Animals," as she is accorded by other countries.

Yours sincerely,
W. L. MACKENZIE KING.

Sir Robert Sanders, M.P.,
Minister of Agriculture,
Whitehall Place, S.W.I.

The memorandum follows. I think I ought to place it on Hansard because it is really an agreement with us that was arrived at by conference, and this letter of the Prime Minister of Canada confirming it, with the warning, mark you, that Canada did not accept it as a final solution, but would from time to time press her claim to have her cattle, and all her cattle, admitted into the British market:

Canadian Store Cattle

Memorandum by the Minister of Agriculture

1. At the meeting at the Colonial Office on the 31st ultimo I promised to put into writing the proposals I made to meet the points raised by the Canadian representatives as to the interpretation and administration of the words in section 1 (8) of the Importation of Animals Act, 1922, which inter alia define store cattle as castrated or spayed animals "which are intended for feeding purposes and not for immediate slaughter."

2. It was made clear that the British Government are not prepared to propose any amendment of the Act in this respect, but they are ready and anxious to co-operate in arriving at a satisfactory settlement of the manner in which the definition should be interpreted and administered, having regard always to their responsibility to Parliament to see that the law is observed.

3. In view of that responsibility the Ministry of Agriculture cannot surrender the final word in deciding whether any particular animals come within the facilities afforded by the Act and as to the conditions under which their movement should be licensed out of the landing place. But subject to this I am prepared to give instructions to the Ministry's Inspectors as follows:—

(a) In the case of any cattle which the Inspector is satisfied can reasonably be regarded as suitable for feeding for a further period of not less than 28 days before slaughter, the inspector will on application grant a license for their removal from the landing place to any special authorized market or other premises, subject only to the conditions embodied in the Schedule to the Importation of Animals Act, 1922.

(b) In the case of cattle where the Inspector is not so satisfied, the Inspector will on application either:—

(1) Grant a license for their removal to a slaughter-house for slaughter with such conditions as may be considered necessary to secure their slaughter thereat and will not, as at present, require them to be slaughtered at the landing place. or,

(2) If the owner of the cattle is prepared to undertake that they will be fed for not less than 28 days before slaughter, the inspector will grant a license for their removal to premises other than a slaughter-house subject to such conditions as may be considered necessary to secure that the undertaking will be observed.

In either case the additional conditions imposed by the Schedule will necessarily apply.

4. Cattle for which a license is not applied for or in respect of which a license cannot be granted in accordance with these instructions will have to be slaughtered at the landing place as heretofore.

5. It must be understood that cattle which have not complied with the conditions applicable to stores, i.e. three days isolation and supervision in Canada and supervision by a veterinary surgeon on the ship, must continue to be landed at an imported animals wharf and not at an imported animals landing place and will accordingly be slaughtered in the wharf. The ministry has no power to allow such cattle to be moved from the wharf to a slaughter-house.

6. I make this offer with the desire of meeting as far as possible the case made by the Canadian representatives, consistently with my primary duty to safeguard the interests of British agriculturists, but I couple it with the request to the Canadian Government that they on their part will co-operate with us in carrying out the provisions of the Act and that they will give instructions to their officers not to certify as store cattle animals which cannot reasonably be regarded as suitable for feeding for the period above referred to.

7. The Ministry of Agriculture has no desire whatever to whittle away by administrative means the privileges granted by Parliament to Canada for the importation of her store cattle, and the Ministry is confident that with goodwill on both sides the provisions of the Act can be carried out satisfactorily. It was inevitable that some difficulties would arise in the early stages, but there is every reason to hope that the trade will soon adapt itself to the conditions so that it can be carried on to the mutual advantage of both countries. The Ministry of Agriculture will spare no effort to secure this result, and I am confident that the Canadian Department of Agriculture will do the same.

R. L. SANDERS.

Ministry of Agriculture and Fisheries.
November, 1923.

Mr. WHITE: Mr. Manning Doherty was credited last year with being the means of the removal of the cattle embargo. Just where did his activities end?

Mr. GRAHAM: I do not know what effect his activity had on the minds of the British people. We did not encounter it over there.

There is only one other point to which I will refer in connection with the Economic Conference, although there are many questions of interest, and that is this: The Canadian representatives declined to become a party to the establishment of a permanent Economic Committee. I think the same thing was proposed in 1921, and was not then adhered to by Canada. The position that Canada's representative took, and I think it was right in both cases, is that a conference is a conference and nothing else. We were there from different parts of the Empire to discuss problems of mutual interest; the conference is not an executive body at all. It makes no laws, it makes suggestions, an economic committee would have to have something to do. And something that the Economic Committee might attempt to carry out might be altogether at variance with what people throughout the Dominion wanted such a body to look after. It is said that if you get one live man, and give him a chair, a desk, and a pencil, he will soon surround himself with a staff and some work, but there was nothing which Canada wished to refer to such a body as an economic committee. We were further established in this view during the discussion because the representatives from one of the overseas dominions when asked by myself "What subject would

you refer to this body" replied "Well, the effects, for example, of the dumping clause in tariffs might be referred". Of course, when that suggestion was made it began to get into the minds of Canada's representatives what possibly might be meant. There might be, perhaps not in the mind of any person except ourselves, the thought that it might prove the introduction of the thin end of the wedge of having other people interfere with our fiscal property.

So far as Canada is concerned, whether she is right or wrong Canada proposes to manage her own affairs, and make her own fiscal policy. The government in charge of Canada's affairs is subject only to the electors of the Dominion of Canada. That being the case, we saw nothing for the economic committee to do that would be a benefit to us. All the other overseas committees of the British Empire approved of the establishment of such a committee. However, the new government, giving the reason which Canada gave for not establishing such a committee, has declined to establish an economic committee.

I will not deal with this matter any longer. I hate to acknowledge that I have got to the time when my age is referred to. Coming into the House to-day I heard two of the younger members say "the Old Man is going to talk to-day." Being in that category, without scolding or lecturing, perhaps the young men of this House will allow me to say a few words from a long experience. I have been in public life a great many years, and I am not making any insinuations that I intend to quit. I want to take this opportunity of saying two or three words. It is a wholesome sign to see the young men taking part in public life. We are not, or at least we should not be, in the frame of mind in which we were in before the war. If the war accomplished anything, it has taught us to have a broader view and an outlook that includes others besides ourselves. One word of advice I would give to the younger men in this House is this. Do not be too pessimistic. That feeling grows on one just as rapidly as the measles at high tide. You may allow yourselves to get into a groove where everything seems to threaten danger and there is no way out of the difficulty, because the rut gets deeper the further you go. As I said, the war taught us some lessons, and one of them is this: that bravery and courage are needed; they are needed now by us as much as they were needed a few years ago in Europe. We should not shirk our responsibilities but should bear them, as I know we will. There are so many more things in life that have a bright side and a golden tinge than those that have a sombre side If you can—and I am speaking now to the younger men—turn your attention more to the bright things in life, cultivate the spirit of optimism, even under great difficulties, and you will be suprised to find how this will grow on you.

Every day as we rise in the morning we will find that life is full of brightness and there is no burden cast upon us that we are not able to bear. There is another thing I would like to say to young men just entering public life. Do not, under any consideration, either for party's sake or personal vengeance, allow yourself in your public duties to handle the muck rake. I have been in public life a great many years. I see the pathway strewn with the wrecks of men who tried to climb into power and prominence over the ruined reputations of men whom they attempted to assassinate. Sometimes that kind of thing will succeed temporarily, but eventually it recoils on the men who handles the muck far more seriously than the man for whom the muck was intended. We in Canada have no need to despair. If we value our assets and liabilities as any business man does, we have no right to complain. The liabilities of the Dominion of Canada all told are something over three billion dollars, while the wealth of Canada is estimated at twenty-three billions. If any man in business life could show such a balance sheet as that to his bank, he would be given all the credit imaginable, up to the limit of his wealth. True, we cannot count Canada's assets in the same way, but that is one of the bright sides of life and one of the bright pictures. Our taxes are high. We are going through a time of depression. But our fathers went through times of depression. The men who made the Dominion of Canada in years gone by came to this country, cut down the trees, built their little log cabins, clearing half an acre, then an acre, two acres, three acres, four acres, until they got a hundred acres cleared, and the families they raised are now among those who are aged, or are gone. But they left stock able and sufficiently courageous to face any difficulty that ever can confront them in this country. Then, with reference to the young men who have come to us, I may be allowed to say a word that may be personal. Notwithstanding all the discouragements, there is not a young man or a comparatively young man in this House who came to Canada from elsewhere who to-day would return to the country from which he came. That is a fairly good test, I imagine. There are opportunities here. We must buckle on our

armour, and refuse to become members of the Ancient Order of United Gravediggers. We must stand erect, look to the future, take lessons from the past. As strong Canadians, members of the greatest empire the world has ever seen, let us march forward as men worthy of our fathers, realizing that the Creator has given to us in this country of ours a heritage second to none in the whole world.

Mr. J. L. BROWN (Lisgar): I am sure we are all inspired by the words we have just listened to from one of the elder members of the House. I wondered, however, if he has not made a mistake in thinking it was he who was referred to as "the Old Man." I do not know, but I am inclined to think that some of the younger members who sit behind me might have referred to myself as the old man who was to speak to-day. I remember that on one occasion, when visiting some of my French friends, one of them spoke of me as an old man. "Why," I said, "I am only a boy." "Well," he said, "your hair he lie on you."

I desire to call attention for a short time to some of the remarks made in this House and some of the opinions expressed to which I think sufficient consideration has not been given. I desire, first of all, to direct a few remarks to the hon. member for Wentworth (Mr. Wilson) who spoke last night. He was wonderfully jubilant, evidently expressing the sentiments of the group to which he is attached. His jubilance seems to result from the Ontario elections held last summer. I am not disposed to minimize the significance of by-elections, or any elections. I recognize that sometimes straws show the way the wind blows. But perhaps we do not get any great distance in discussing these matters. However, just in order to throw a little cold water on the hon. gentleman, I wish to call attention to the fact that there were elections held somewhere else. It will be remembered that there is a Progressive government in Manitoba, and some cabinet reconstruction last fall necessitated two constituencies being opened and by-elections held. The Conservative party in that province had been carrying on a campaign, all through the summer, trying to bring together its shattered remnants; for in no place is it more shattered than in Manitoba. They carried on a campaign of misrepresentation such as they did against the Drury government, and they hoped to meet with an equal degree of success. The time came when two constituencies were opened and ministers were to be returned. Instead of following what is now the generally accepted custom and allowing these ministers to be returned by acclamation, they considered it a good time to put the matter to the test and see whether the campaign had had any effect. I can speak for one of those provincial constituencies, the one in which I live, and I can say that never was a more determined effort made to capture a by-election than was made at that time. The results, however, were undoubtedly most disappointing to the men who were looking forward to them. In one constituency the Conservative candidate lost his deposit, while in the other the candidate saved it only by a small handful of votes. The result was in a large measure attributable to the fact that in Manitoba the people have long memories and they connected these things with what the Minister of Justice (Mr. Lapointe) spoke of the other day as a love feast that was being held at Saskatoon. Perhaps I might issue a word of warning to the leader of the opposition (Mr. Meighen) in the words that were once used in a warning that was given a king of Israel:

> Lo thou trustest in the staff of this broken reed, on Egypt; whereon if a man lean, it will go into his hand, and pierce it.

I think the application is very obvious. So that there are indications that seem to point in the other direction. There is a story I heard last summer from the hon. member for North Bruce (Mr. Malcolm) that seems to illustrate the situation. A traveller was in the state of Texas and it was one of those periods to which the prairie countries also seem to be subject. There were great winds blowing and there were storms of dust in the air. This traveller inquired whether there were any cyclones in Texas. "No," said the man to whom he asked the question; "two or three came along one time and tried to start something, but these steady winds blew Hades out of them." Now, what hon. gentleman have taken for the steady wind is simply the little whirlwind that passes over the prairies; they forgot about the great wind that is still blowing in the direction of progress, and will continue to blow.

The hon. member for Wentworth (Mr. Wilson) made another unfortunate allusion: he introduced at this stage the subject of church union. Now, Mr. Speaker, that is a subject that will engage the most serious attention of this House at the proper time, and it will call for all the sane judgment we possess. We shall require to approach it with all the Christian tolerance and charity that we can command; and by this time the hon. member, I think, will recognize that it was a piece of gross impropriety to bring forward a matter on which parties will necessarily be divided

and make it the subject of an attack on the hon. member for Brandon (Mr. Forke), the leader of the Progressive party.

I desire to direct a few remarks to the hon. member for St. Lawrence-St. George (Mr. Marler) in connection with some of the subjects he discussed. With some of his opinions I am entirely in accord; with others I must differ. With the hon. member for Brome (Mr. McMaster), I think that the country owes a debt of gratitude to the hon. member for St. Lawrence-St. George for the clear analysis he made of our present financial position. We are greatly indebted to him, and I say this because I wish to point out later the particular field in which I think the hon. member will find great scope for the ability he undoubtedly possesses to handle large problems and discuss large matters. He made one reference to the fact that there are still outstanding some $915,000,000 of tax-free war bonds. In my judgment that was one of the worst iniquities ever perpetrated on the people of Canada. I quote here a short extract from an editorial that appeared in the Citizen of last week:

> During the war, people were urged in many patriotic orations to give, or to save, till it hurt. Most people responded earnestly: usually, the people who could least afford it imposed the severest privation upon themselves. Some bought war bonds sincerely under the stimulus of patriotism. Upwards of 1,000 million dollars in tax-free war bonds passed into the hands ultimately of a comparatively small number of investors who enjoyed the double thrill of patriotism and profit.

Put side by side with that the sacrifices of those men who, as the Minister of Railways pointed out, took the field in
5 p.m. our defence. It is not yet too late in the day to indicate the contrast which we have frequently found in this connection. I had something to do with selling some of these war bonds and I have distictly in mind one man who borrowed $500 at eight per cent interest and invested it in war bonds. Put that side by side with the horse-buying scandals and the scandals connected with the purchasing of drugs and surgical supplies, in which people of Ottawa were in some degree interested. Put these two things side by side and then let us remember that those people who profited during those times, largely the people who made money out of war contracts, are now coming out in opposition to the income tax. In my judgment the income tax must be retained. I have no patience with those who advocate that we should discard that system of taxation. It is at least an attempt to get money from those who have it and not from the people who have it not; for upon the people who have had little in the past the great burden has lain. It is true the Income Tax Act must be revised. Certain amendments have been suggested since this parliament met and the Minister of Finance (Mr. Fielding) has refused to accept them under the plea that the entire act must be revised. I agree that it needs revision. We must retain it, but there are some points in which it can be improved. Let me suggest one or two. More consideration must be given than at present to the source of income. A distinction must be made between salaries and investments. My present disposition is to agree with what was said by the hon. member for North Waterloo (Mr. Euler), that industry might be freed from that particular tax, but that personal incomes must be made the subject of taxation. One of the grossest inequalities that we find in the system as at present administered—and I have talked this matter over with some of the officials who are now administering the act—is found in the fact that in some cases husband and wife are classed as having a joint income while in other cases their incomes are treated separately. In one case they can claim only the individual statutory exemption, and in the other case they can claim exemption both for husband and wife. Take an illustration. A farmer and his wife—and sometimes all the family—are engaged in work on the farm, and their income is considered as joint. They have an income estimated at $2,500. If there are no other exemptions claimed than the statutory $2,000, they will pay income tax on $500. On the other hand, I have cases in mind—cases brought to my attention by one of the heads of the department that came under his notice—one, for instance of a man and his wife living in Winnipeg. They have no family. They live in a little suite and are able to take in all the city amusements. He is earning $2,500, and his wife is earning another $1,800 as a stenographer. They can both claim exemption up to $2,000 because they are married. If we accept the words in our marriage ritual, "Whom God hath joined together let no man put asunder", and "With all my wordly goods I thee endow", then I think for taxation purposes we must accept the principle that the income of both husband and wife must under all circumstances be considered as joint income.

The hon. member for Brantford (Mr. Raymond) drew attention to the fact—and I do not dispute it for a moment—that our farmers are paying only 2 per cent of the $46,000,000 income tax collections. I do not know why the hon. member introduced this into his speech. I think he is too much of a gentleman

to insinuate that the farmers are evading the tax. I do not think he meant to imply that at all. Then why did he introduce it? It seems to me it does nothing to strengthen his case, while it does a great deal to strengthen ours, when we submit that you can offer no better proof of the things for which we have been contending than just that fact, that we are not in a position to pay any bigger share of the income tax.

Now I come to the National Railway System, and it is on this particular matter that I see fit to differ with the hon. member for St. Lawrence-St. George (Mr. Marler). The hon. Minister of Railways (Mr. Graham) this afternoon placed before us in a very clear way certain facts relating to our National railways. I wish to present the subject to the House from the standpoint of the common people throughout the length and breadth of Canada, and in speaking as I propose to do I believe I shall be voicing the views of the great majority of our people. I regret that the hon. member for St. Lawrence-St. George marred his speech, as I thought, by his reference to the government ownership of railways. Of course, he has the right to express his opinion on this subject as on any other. But it is frequently urged upon us that we should consider facts and not theories, and in this particular matter we have passed the academic stage of discussion and must consider the position simply as it is. During his speech a question was asked by some hon. gentleman behind me, "How did we get the railways?" Perhaps that was not a pertinent question at the time, but a perfectly pertinent question would have been: How does the hon. member propose to get rid of the National railways? On that particular subject we have not yet been given any light, and I think his address is weak in that particular, as is everything that is said by those who oppose government ownership of railways, simply because they have not offered us any alternative. Let me illustrate the point by another story. Two Irishmen, Pat and Mike, were out in the bush. They were some distance apart, and Mike heard a great row going on. He ran towards the noise and found Pat wrestling with a wildcat. "Hold on Pat! Hold on Pat!" "Bedad!" exclaimed Pat, "I can't let him go!" That seems to be somewhat the situation in which we find ourselves in regard to our government railways. We have not had indicated to us any plan by which we can let them go without finding ourselves in a position where our last state would be worse than our first. Are we asking too much then when we request hon. gentlemen who are opposed to government ownership of railways to present to us some reasonable proposition as to how we are to get rid of them, and on what terms? There is another story going the rounds of the press which I think is quite apropos in this connection. A coloured preacher was in the habit of using big words. His congregation disapproved of the practice, and they sent a delegation to remonstrate with him. In his defence the preacher said, "Don't I argify and sputify?" "Yes," replied the delegation, "you do argify and sputify, but you don't show wherein." Now, in my judgment, we have a right to put that proposition up to the member for St. Lawrence-St. George, and all others who take a similar position, that they at least should "show us wherein." Let us suppose, for instance, that we went to the Canadian Pacific Railway Company, or to any other corporation or syndicate, with a proposition that they should take over national railroads with all their encumbrances. They would very likely regard it somewhat as a man would regard a leap-year proposal from a widow with ten children. But even if they did consent to talk the proposition over, what is the first thing they would do? They would probably go to the Railway Commission and ask for an increase of rates to enable them to carry the burden, and that benevolent body would very likely grant the request. What would that mean? It would mean if we are to have uniform rates all over Canada, that we would have the same rates on the Canadian Pacific Railway, and the situation for the railways would be lovely. But supposing they agreed to take over our system at a fair valuation, then we would certainly have to meet the problem which the Minister of Railways (Mr. Graham) says is so difficult—the problem of capitalization. Some figure would have to be arrived at to represent the value of our national railways, and the difference between this figure and the original capitalization would have to be put over to the general debt of the country, where I think it should be. There has been a good deal of controversy in the past as to who is responsible for our present railway situation. Let us suppose that former governments, both Liberal and Conservative, have been guilty of bad railroad financing. The consequences of that mistaken policy ought not to be borne by the users of the road; it ought to be borne by all the people of Canada. And so I say again to those who condemn government ownership of railways, let them show wherein.

Now, do we want to get rid of our National Railway system? The hon. member for South

York (Mr. Maclean) I am sure would say, No, most emphatically, and what he says I am certain the people of Canada would say. The hon. member for Springfield (Mr. Hoey) told the House last night that during the recess he had attended a conference in Kansas City. I remember that on his return to Winnipeg he met a group of the organized farmers who were gathered together there and made an informal report respecting the conference. I was very much interested in what he said. He reported that during his visit he had come in contact with a great many of the leading business men of that part of the United States, bankers and others standing high in all departments of big business. They told him that they were greatly interested in watching the railroad situation in Canada. They put it this way: "We believe you have the ideal system. You have forty-five per cent of your roads under private ownership and fifty-five per cent under government ownership. We think that is better than if they were all under government ownership, because no matter how efficiently the railroads were operated there would be no standard of comparison, and it would therefore be easy to raise prejudice against the system and convince the people that the enterprises were not being efficiently managed. But when the government-owned road is placed side by side with such a system as the Canadian Pacific Railway there is an incentive to good work and to efficient management on the part of both institutions." It seemed to me that there was much food for thought in that statement of view. On the other hand they said: "If the railroads were all under private ownership you would be in the grip of a monopoly just as we are." It may be interesting to know that there are about 150 different railway systems in the United States under private ownership, and their rates are higher than ours. I thought I had brought with me a clipping from a New York paper which indicated the keen interest that the United States financial people were taking in our roads, but I find that I have not got it among my papers.

We are glad to know that the national railways are prosperous. We are glad to know that there is improvement in the whole system. We are glad to believe that we have at the head of the system a man of outstanding ability. Sometimes people say, "You are treating and speaking of Sir Henry Thornton as if he were a superman." Not at all; we are thinking of him as the equal of the men who have been at the head of the great Canadian Pacific Railway system—Van Horne, Shaughnessy and Beatty—of the men who are making an outstanding success of that enterprise; we are thinking of him simply as their equal and nothing more. As I said in speaking on this matter last session, we have given Sir Henry Thornton the biggest job that ever has been given to any man in the business world. I think he recognizes that, and I believe he is big enough to rise to his opportunity and to make a success of these roads, with resulting enhancement of his own reputation and general benefit to the whole of our country. Let me say to the hon. member for Laprairie-Napierville (Mr. Lanctot), I think it was, who wanted to sell the National Railways for a dollar, and to other members who are opposed to government ownership of railways—and I know I can speak most emphatically for all this group and for the people we represent in the prairie provinces—that the people of Canada are not going to put the National Railways on the bargain counter.

Mr. LANCTOT: That may be the case for your part of the country, but it is not the case for my people.

Mr. BROWN: Well, a little education will perhaps change their point of view.

Mr. LANCTOT: You may come to my constituency of you like, and I wish you all the success that you may get.

Mr. BROWN: I do not think there is any occasion for thinking that there is enmity or undue rivalry between the Canadian National Railways and the Canadian Pacific Railway. I do not think we should look upon the Canadian Pacific as our enemy, as perhaps there has been a tendency to do in the past. I know that members of the farmers' organization in Manitoba—and I can speak for that organization—found that it was greatly to their benefit in the discussion of various railway problems, to confer with officials of that system. It was for our good, and I believe they recognized that it was for their good; and we have worked out some very amicable arrangements in regard to certain matters of interest to agriculturists. While not thinking of any undue rivalry between the two systems, I believe there is necessity for increasing the business of the national roads. We must get our share of the business, undoubtedly, but in the main the railroads are to be made a success by getting new business, and therein lay the iniquity of the killing of the branch lines bill last session.

I do not propose to deal at any length this afternoon with the tariff. This evidently promises to be a tariff session. We have

had a good deal of discussion on the tariff in the course of this debate, and the budget debate will naturally be productive of further reference to the subject. I notice also that there are two resolutions on the order paper dealing with that subject. I shall not, therefore say very much on the merits of the question, but will make a few general remarks with regard to it. I took a little squib out of the Winnipeg Free Press the other day, which runs like this:

A tariff song for a Brantford M.P:
This country's tariff has such glories
That men called Grits oft act like Tories.

That is the greatest charge a lot of people seem to be able to bring against the Grits, that they often act like Tories. When facts and figures are presented to the House in the discussions of this matter, we should expect them to be absolutely reliable. It is difficult to know how to handle statistics; as was pointed out by the hon. member for Brome (Mr. McMaster), statistics may unfortunately be made to prove anything that the person using them desires to prove. It is very necessary that hon. members and the people throughout the country should know exactly what the facts are in relation to any given matter that is placed before the House. I am going to draw attention to absolutely misleading statements that have been given to members of this House and to the country—not by members of the House, but to them. I have here some of the literature that is being circulated by those interested in the woollen industry. You may think this is a small matter, but straws show which way the wind blows, and when you find that people are not strictly truthful in regard to certain facts of which you have knowledge, you doubt the accuracy of their statements when they talk of things of which you have no knowledge. I quote only a part of one paragraph:

The duties on tweeds and similar cloths from Great Britain, he stated, were lowered by 2½ per cent in 1922, which necessitated the closing of the company's mill at Lanark.

The members who received that circular probably took that as a statement of fact. Not wishing to rely on my memory, although it is generally pretty good in relation to dates, I wrote to a friend, and the information I obtained confirmed what had been my own impression, namely, that that particular mill —note the date—was burned down on January 21st, 1917.

Mr. CALDWELL: When was the reduction made?

Mr. BROWN: The reduction complained of was made in 1922 so that the mill in question had been burned down fully five years before the budget effecting that reduction was presented to the House. Can you blame us when we sometimes question the statements made in the literature that we receive? We want to know the facts; we want to deal fairly with the people, and we insist that they deal fairly with us.

Here is another. I have a clipping here from a little paper published in Winnipeg called Canadian Farm Implements. This article from which I quote was written in reply to an address given by President J. B. Reynolds of the Ontario Agricultural College, at a meeting of the Canadian Society of Technical Agriculturists. He made some reference to farm implements to which the writer of this article took exception, and here is what he said:

Despite this fact, and the professor did not tell this to the technicians, at the present time the cost of all the necessary implements for a half-section farm are four per cent lower in price than they were in October, 1914. True, some implements cost more than they did then, but this is offset by the fact that other implements cost a great deal less.

When I read that statement first in the Farmers' Sun, which quoted it, I was amazed knowing the facts as I knew them, that such a statement should be made anywhere. I wrote a letter to the Farmers' Sun asking for an explanation of those figures, but I was not satisfied, so I found out where this paper was published, and I went to the editor and got from him the sources of his information, and my intention was at one time, on the basis of the figures that were put into my hands by the man who was responsible for that statement, to have those figures put on Hansard. I have them here, but since the editor of that paper and the man who is responsible for such a statement being made admitted to me that it gave an entirely wrong impression to the country, and since I am told that he admitted it later to a meeting of his own salesmen that he gathered together, I shall not go any further with the matter unless some person wishes to assume responsibility and stand behind the statement I have just quoted. In that case I shall be most happy to discuss the matter with him and show wherein the whole statement is absolutely absurd. Again I say, Mr. Speaker, that we consider we have a right when manufacturers or any other set of business men undertake to place any of the details of their business before us or give any reasons why they take the position they do, to ask that they treat us with absolute fairness and not

make as was done in this one case an absolutely false, and in the other case a misleading statement.

I want now to turn my attention for a short time to the hon. member for South Oxford (Mr. Sutherland). I do not wish to accuse that hon. gentleman of making deliberate misstatements of fact. I do not wish it for a moment to be thought I am doing so, but I do wish to point out that his error in discussing his own amendment, which so far has received very little attention, was not in giving wrong facts but in dragging facts into the discussion which had absolutely no place in it, and cluttering up the records with a lot of superfluous material. You will remember that in the course of his argument, after pointing out the amount of animal and vegetable products imported into Canada for food purposes, thinking to strengthen his argument, no doubt, but as a matter of fact it only weakened it, just as any argument is weakened when unnecessary material is drawn in, he mentioned some $43,000,000 of vegetable products other than foods that were imported, and a question came from this corner of the House, what was included in that list? "I do not know", he said. Evidently he did not think it was worth his while to find out. Some suggested that it would be very desirable to find out just what was included, and on the spur of the moment I asked the hon. member if it included rubber. He did not know. Well, the force which his total had in the discussion depended very largely, if not altogether, upon the particular items which it included. I do not know whether he has since taken our advice and found out what is included in that list, but here is his opportunity.

Mr. SUTHERLAND: I was referring to the importations into this country of vegetable products which were foodstuffs and also animals and animal products. After having done so, I pointed out that in addition to that there was some $43,000,000 other than foodstuffs.

Mr. BROWN: That is just what I have been trying to tell the House, only the hon. member has expressed it probably more clearly than I did. My complaint is that in dragging in that $43,000,000 he was simply dragging in unessential facts. The figures that I shall give do not cover exactly the same period, but that is not a particularly important matter. They cover, however, a similar period. They cover the fiscal year that ends March, 1922, but the argument holds no matter which particular period you take. I have not all the articles that might be considered as vegetable products other than foods, but I think perhaps the list I shall give includes the principal ones, and the only point I want to make is that the figures he introduced had absolutely no bearing on the discussion.

Mr. SUTHERLAND: I was referring to the increase in the importations of such commodities since the United States put their tariff as high as it is at the present time. The hon. member is undertaking to quote importations prior to the adoption of the present tariff by the United States.

Mr. BROWN: I do not see that that has any bearing on the subject at all. The same argument would apply to the present situation just as it applies to the particular period for which I have the figures. The total I have here is $64,410,281, of which alcoholic beverages accounted for $24,524,202.

Mr. SUTHERLAND: Is that a foodstuff?

Mr. BROWN: I do not understand the hon. gentleman. I distinctly said that I am dealing with importations other than foodstuffs, just as the hon. member said himself. Evidently the gentlemen who have compiled these figures have not adopted the theory that alcohol is a foodstuff, for they include it here. Gums and resins, $1,958,395; total oils, vegetable not for food, $5,554,180, and perhaps I might point out that under that head there is a small item of $112,369 of linseed oil that could be considered a Canadian product. The other articles included are plants, shrubs and trees, which may or may not be produced in Canada, $934,242; rubber and its products, and this was the thing I wanted to find out about; including some manufactured rubber the imports amounted to $7,142,258; seeds, $2,936,335; tobacco, $21,360,669. There are a number of smaller articles, but I have given enough to make my point. The two large items in that total are alcoholic beverages and tobacco, and I can say this to the House, that if there is any proposition to increase the duties against alcoholic liquors and tobacco, or any proposition made to curtail their use, the chief opposition is not going to come from those who sit in this corner of the House. So, when you take out those two large items, and the $7,000,000 of rubber, the $5,000,000 of vegetable oils not for food, which the hon. member for Brome (Mr. McMaster) said the other night were used for making soap, we have left less than $1,000,000 for plants, shrubs and trees, and less than $3,000,000 for seeds, and these are in large measure used by farmers. So I submit that in cluttering up the record,

as the hon. member did with vegetable products other than food stuffs, he was simply introducing irrelevant matters into the discussion that might very well be left out.

Now, Mr. Speaker, I want to direct attention to some remarks of the hon. member for Vancouver Centre (Mr. Stevens). Perhaps it might seem to be unkind to him after the almost complete and utter annihilation he suffered at the hands of the hon. member for Springfield (Mr. Hoey) last night, even to utter another note of criticism. And yet there was one point in the hon. gentleman's speech that was not dealt with by the member for Springfield to which I would like to direct attention; that part in which he dealt with the trade of Canada with Great Britain and other countries, and with the United States. When I listened to that part of his speech it sounded to me absurd. I do not wish to use the term in an offensive way but simply as we used to use it in euclid, as something that does violence to our reason and our judgment. I read that part of his speech over a number of times, and the oftener I read it the more absurd it seemed to be. The hon. member has given evidence of his great ability in the accumulation of facts, and I am not going to dispute them, but we have to take exception to some of his conclusions. Turn to that part of his speech and you will find that he points out that for a period of fifteen years our exports to the United States were double the amount of our imports; that for the same period our exports to Great Britain and other countries were two and three times, and in some cases perhaps more, the amount of our imports; and that with respect to Great Britain and the United States there was a considerable balance in our favour. And the hon. gentleman does not seem to take any satisfaction out of this because of the fact that our bills have to be settled in New York. He asked the question: Is our policy so framed at the present time as to bring about a proper distribution of our foreign trade? That is just the trouble with protectionists. They think it is incumbent upon them to settle every little detail in foreign trade, and the trouble is when you interfere in one way you never know the effect is going to be what you expected it to be, and then you have to do something to counteract the effect of the thing you have already done. I may say this: The theory which he propounds seems to me to be preposterous, even if the argument as to the balance of trade is true—that any advantage that we may have from the fact that the balance is in our favour is offset by the fact that we have to make our payments in New York. But let me refer more particularly to what he said with respect to the exchange in New York:

> Now there is a vital significance in that fact, and that significance is apparent, for one thing, in the exchange of four per cent against the Canadian dollar in New York. It was apparent to a marked degree three years ago when the exchange stood at nineteen per cent on one occasion against our dollar. But the main point I am making is that for this period of time we have had this adverse balance of trade as regards the United States and there has been no real advantage from the favourable balance of trade in relation to Great Britain.

The hon. member has fallen into what is a very common fallacy, perhaps the most common of all fallacies, known to logicians as post hoc ergo propter hoc—after this therefore because of this. He sees two facts and he places them side by side, and then he begins to establish the relation of cause and effect between two facts that simply co-exist. That seems to be the fallacy into which protectionists have fallen or into which they have deliberately walked—either the one or the other—in discussing this question of the balance of trade in relation to foreign exchange. Ever since this question of the rate of exchange became an acute one it has been the practice for the protectionists, and the right hon. leader of the opposition (Mr. Meighen)—unless he has been misrepresented as he generally is—to fall into the error of accrediting this variation in the rate of exchange entirely to the fact that there was an adverse balance of trade. Some of us venture modestly to suggest that there might possibly be other factors in the problem; and our complaint against the men who take this position is that they persistently ignore these other factors, because they seem to wish to make a certain situation created by the war an occasion for preaching certain economic doctrines. We modestly suggest that there may be other reasons; and it is some satisfaction, when you do not pose as a financier or economist yourself, to have opinions which you formed at the back of your head confirmed by men who are economists. So I am going to quote from a little book entitled Foreign Exchange Before, During, and After the War, by T. E. Gregory, of the London School of Economics and Political Science:

> This little book does not in any way pretend to be an exhaustive treatment of the problems of foreign exchange. Let me hasten to add that it is not incomplete in the sense that it scamps what I believe to be the real matters of principle at issue. Exchange experts at the present time divide themselves into two camps: those who think that the exchanges are dislocated because of inflation, and those who think that they are dislocated because of "an excess of imports over exports." To the inexpert reader I have

hoped to make clear the underlying principles, but I should be glad if, to my colleagues of the universities, and the counting house also, my defence of the first of these schools of thought should prove of interest. Fortunately, there is less reason now to emphasize one's belief in this school than there once was.

I do not know whether he would have written that sentence if he had been in the Canadian House of Commons:

The view that the "adverse trade balance" is an effect, and not a cause, which sounded so strange a little while ago, is being accepted fairly generally at the present moment, though not always, perhaps, very consciously.

Now if we accepted the theories advanced by the hon. member for Vancouver Centre we would expect that the exchange rates would vary just as the balance of trade was adverse or favourable. But is that what we find? We find absolutely the reverse. I have here some statistics obtained from the Bureau of Statistics covering the imports of Canada and the exports from Canada to the United States during the years 1911, 1912, 1913, 1914 and 1915; and during the years since the war, 1919, 1920, 1921, 1922 and 1923. In giving these figures I should say that the imports include dutiable goods and free goods, and the exports are divided into Canadian produce and exports of foreign produce. But since the imports deal only with those for consumption in Canada I shall deal only with the Canadian products which were exported from this country.

	Imports	Exports
1911..	$297,824,265	$104,115,823
1912..	331,384,657	102,041,222
1913..	436,887,315	139,725,953
1914..	396,302,138	163,372,825
1915..	297,142,059	173,320,216

I want to direct attention particularly to the totals. The totals are:

Imports	Exports
$1,737,540,434	$682,576,039

The point I want to draw attention to in the totals is that during the five years before the war as I have quoted, our exports to the United States were only one-third or little better than one-third—I am not giving the absolute proportions, but a little more than one-third—of our imports at a time when the common people knew nothing about exchange, when exchange was at par and was only an academic question. That was the situation that prevailed then. Now what happened since? We will take the last five years, and I think I had better place the figures on Hansard:

[Mr. Brown.]

	Imports	Exports
1919..	$750,203,014	$454,873,170
1920..	801,097,318	464,028,183
1921..	856,176,820	542,322,967
1922..	515,958,196	292,588,643
1923..	540,989,738	369,080,218

Notice the totals again. The total imports were $3,464,425,096, as against exports of $2,122,893,181. That is, the proportions during these five years were two to three, instead of one to three as they were before. And yet we would have expected, if there was anything in the argument which that particular school advanced, that the situation would be absolutely the reverse. It is not possible for the hon. member for Vancouver Centre (Mr. Stevens), or anybody else, to establish on the basis of the trade returns that relation which they seem to think exists between the balance of trade and the rate of exchange. But he says further:

But it is also highly desirable so to frame our fiscal policy as to divert a portion of these purchases from the United States to such countries as have for so many years been favouring us with their purchases.

Have I not just been pointing out, Mr. Speaker, that that is exactly the result that is being obtained in a natural way. Is not the effect of the depreciated currency at New York simply to curtail our purchases in New York? I had a striking example of that brought to my notice four years ago. When travelling on the train I came in contact with a business man, a westerner, going to England to buy one hundred thousand dollars' worth of jewelry, which under ordinary circumstances would have been bought in the United States; so that this matter was being reflected in the export trade to the United States, bringing about in a natural way just what the hon. member for Vancouver Centre says he wants to bring about by a tariff.

I do not presume, Mr. Speaker, to enter into a discussion of the question of the rates of exchange in all its intricacies. It is a complicated question, and so far as governing my own conduct is concerned, I would take warning by the old adage which says that "fools rush in where angels fear to tread," All I will say is that my judgment revolts from the theories propounded by the hon. member for Vancouver Centre, and perhaps I cannot do better than quote a remark made in the British House of Commons on December 21st, 1920:

Lieut. Col. Hurst: Of course this subject of foreign exchanges is one I know very little about, and I believe very few people do know anything about it. Indeed, I have read that only one person knows the real arcana of foreign exchanges, and he is in a lunatic asylum. The late Lord Goschen was thought to know something about it, but to the great mass of the people

it is a very difficult subject indeed, and very humbly and tentatively I make the suggestion to my right hon. friend that it might be wise to appoint a small committee of experts, if any in this country, who do understand this question.

The only point I have been trying to make, in so far as I have dealt with this question of exchange rates, is that the protectionists are simply making use of the situation created by the war by laying all the emphasis upon one factor in the problem of exchange factors, to the neglect of others in order to promote their economic theory.

I will come now to the question of prosperity to which reference is made in the Speech from the Throne. I know it is possible for those on the mountain tops to get a view of the things in their proper perspective, which those who live upon the plain cannot get. Perhaps those who have drawn up the Speech from the Throne have been able to get a vision which is withheld from those who dwell on the plain, or it may be that the Prime Minister is only the servant of the prophet who was bidden to go up and look towards the sea, and who, after going seven times, came back with the welcome news that there was a cloud the size of a man's hand in the sky. If he has really seen the cloud, even if it be only the size of a man's hand, giving promise of abundance of rain, it is most welcome news. But what of the Ahabs and the Jezebels who have seduced Israel during the last forty-five years to worship at the shrines of the false gods of protection? The temper of the country would seem to be that while they will hail with delight the news of an abundance of rain, if it is really coming, there will be but little consideration given to those who have led us into the worship of these false gods during all these years.

But after all, what are the criteria of prosperity? I remember once hearing Sir Wilfrid Laurier, whose name is honoured and revered in this House, giving an address in the city of Montreal. It was in the election campaign of 1896 and he was discussing the question of prosperity. He said, "When we come into power you will not need statistics to tell you that you are prosperous; the people will feel it in their pockets". It is possible to prove by statistics that there is prosperity. You can take the railway returns, the trade returns, and the annual reports of the banks, and, as I say, it is quite possible to prove from these sources that the people are prosperous. Nevertheless we know that back on the farms, in the remote regions, instead of enjoying prosperity the great masses of the people do not as a matter of fact know what their next move will be. I had intended going at some length into this matter, but you will observe on the order paper, Mr. Speaker, a resolution standing in the name of the hon. member for Dauphin (Mr. Ward) dealing with the question of soldier settlement. It seems to me that we are going to realize the prediction that some of us made more than four years ago, namely, that with the falling prices of farm produce there was a danger of the whole soldier settlement scheme going on the rocks. I have not seen fit to modify my view in that respect one iota. It will be a calamity if it comes, but I am afraid that such an eventuality is more imminent now than before. However, we shall discuss this matter more fully when dealing with the resolution in question. And what the soldier settlers are going through the farmers all over Canada are experiencing; at least this is true of those for whom we speak. The situation is more serious than is generally recognized by those who live in the East. I desire to conclude my remarks before the House rises at six o'clock, and consequently I cannot on this occasion go into the matter to the extent that I had intended. That the situation is serious cannot, however, be questioned. Men have seen their savings of a lifetime wiped out. It may be said that the same thing is seen in the cities. That may be true, but in the city when a man goes out of business he remains there and enters some other line of activity, whereas when a man goes out of business in the country he simply goes to swell the ranks of the unemployed in the cities.

This party of which I am a member is often looked upon as representing selfish class interests, but that is far from being the case; we have had a larger outlook than that. We have seen this tendency, and in some respects perhaps it is inevitable, emphasized undoubtedly by certain economic policies; and it has been going on for years. Let me say, without decrying the character of the people in the cities, that the whole wealth of the country is being poured into the great centres of population while there is not enough left on the farms to maintain that standard of life to which the farmers of the country are entitled equally as much as the people of the cities. This is the problem we have been endeavouring to solve, and it is a national problem, because, as the hon. member for Springfield (Mr. Hoey) pointed out last night, the farm is the place from which the nation draws its life. If you go back only two or three generations you will find that the great majority of the men prominent in public life are the men who came direct from the farm. If therefore we lower the

standard of public life it will be disastrous for the future. In closing let me quote the words of Sir Horace Plunkett, taken from his book. The Rural Life Problem of the United States:

> The country life movement deals with what is probably the most important problem before the English-speaking world at this time.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. H. A. FORTIER (Labelle) (Translation): Mr. Speaker, the Speech from the Throne, this year, reminds us rightly of an improvement in our finances, of the approaching realization of the so long cherished hope of balancing our budget, and also of what we looked forward to most anxiously, true signs of a happy return to prosperity. It is a fact, Sir, that the leaders of the Liberal party took hold of the affairs of the country, in 1921, at a very critical time. Indeed, during the last years of the late administration, our country had been plunged into an abyss of debt and a sad economic plight. It was the duty of the present government to solve these difficult problems and remove the serious dangers which threatened our industrial and agricultural welfare. The views of the administration may have differed, but they showed that they had but one thought, one aim; to find the right policy which the country demanded. Faced with new problems which are mentioned in the Speech from the Throne, they realized that, by discussing the subject together, not with the set idea of having their own personal views adopted, but with the patriotic object of uniting their wisdom and prudence, they might find new means of restoring the prosperity of the country. The government understood clearly that Canada had to be saved from bankruptcy, disunion and impending distress. In view of the success this government has obtained, and is obtaining, realizing that our finances are being put on a sound basis through a remarkable decrease in expenditure and the balancing of our budget for the first time since 1911, and considering that a decided improvement is being effected in the operation of the National Railways and further that a sound economic policy is prevalent throughout the service, may we not congratulate the government on the work already accomplished? For my part, I can at any time return to my county and tell my electors:

It is the Liberal party that deserves your confidence, it is that party which will restore prosperity to our country in an admirable "entente cordiale" in a pledge of the heart and soul so manifestly necessary to this country.

Among the tasks accomplished by the government, none is more to the fore than the question of immigration and repatriation. In a young country like ours, with vast stretches of farming land and with the greatest variety of natural resources, there is the need of a Minister of Immigration and Repatriation, whose entire work will consist in finding settlers and placing them on fertile lands. The government has understood the importance of this work and has created the Department of Immigration, entirely independent of the others, they have organized it with the two-fold aim of repatriation and immigration.

Much has been said in this debate, on the emigration of our people to the United States, the exodus of these numerous Canadians who are flocking to the neighbouring republic; it has been computed that 2,000,000 of our countrymen have taken up residence in the New England states. I think that it is now more than time to look after the repatriation of our people. Unemployment is, indeed, at present, being felt in certain Eastern states of the republic to the south, and, I believe that the time is ripe to give more encouragement to that policy. I am aware that the present government has created that movement. I, therefore, beg of them to still continue encouraging and supplying it with all the necessary funds so that it may expand and succeed in repatriating a greater number of our people. It would be a pleasure to me to see allotted to this branch of repatriation, a greater amount of the funds which are voted to the Department of Immigration. I think the government would be approved throughout the Dominion, if it equally encouraged repatriation and immigration. The repatriated person would prove more useful to the country than the immigrant, since he is already a citizen familiar with our habits, while, the fact of a foreigner residing in Canada does not prove him to be a Canadian. The government would, therefore, act wisely by placing repatriation and immigration on the same footing. Moreover, this work should come directly under the Minister of Immigration. However, a deputy minister should be appointed who would have full charge of the work and be the prime mover in all matters pertaining to that department. The repatriation of Canadians would thus take place on a large scale for the greatest

benefit of all the provinces of the Dominion. The deputy minister would have under his supervision agents, missionaries and publicity. Already, many centres of the eastern part of the United States have been advantageously canvassed; there exists an extensive field of action, but everybody knows that this staff of agents, missionaries and advertisers is indispensable for the success of such an enterprise. It will also be necessary,—and I have no doubt that the government is well disposed in this respect,—to help in the homeward coming of these people by issuing reduced rates on railways for themselves, their family and their luggage. Where poverty exists, I even maintain that the fare should be issued gratuitously to these families, and care taken of them in the homes of settlers until they have chosen a lot where they will settle down. Briefly, I would like to see the same favours extended to repatriation as is extended, at present, to immigration.

Far be it from my thoughts, to wish to minimize in any way, the importance which we must attach in this country to the question of immigration. I had the opportunity not long ago to visit western Canada, and, I was present, in the large city of Winnipeg, at a banquet given in honour of Lord Shaw upon the occasion of his visit to this country for the Canadian Bar Conference. This distinguished English barrister made the remark that our western plains were vast but that they are not peopled and that it would evidently be in the interest of Canada to bring over a great number of immigrants who might easily be assimilated and would settle in those vast plains. I fully agree with those views, so often expressed by the public men of this country, and I think that a sound immigration policy is absolutely necessary. There is, Sir, in the Speech from the Throne, a passage which especially drew my attention. It is this:

> National unity, not less than national prosperity, depends upon the surmounting of those barriers which have tended to separate western from eastern Canada and to discourage permanent settlement upon the land. Foremost in this regard are the problems incidental to tariff readjustments and to the marketing of agricultural and other natural products.

The readjustment of the tariff is not a new phrase prompted by circumstances, but a plank in the Liberal party's programme, proclaimed on several occasions. The readjustment of the tariff, meaning the lowering of duties aiming at a tariff for revenue, has been the aim of the Liberal party since the convention of 1893. This object the Liberal party, on the first opportunity desired to attain at the time of the reciprocal pact of 1911 with our neighbours, and it again proclaimed it at the Liberal convention of 1919. Therefore, we, of the Liberal party, prove our consistency by adhering to this policy of the government which favours the lowering of duties in regard to instruments of production. If Laurier were still living he would gladly welcome this passage in the Speech from the Throne. But there is yet another reason for sympathizing with the downward revision of duties so greatly desired by the representatives of the western provinces, it is because, above all, we desire national unity so as to conform to the spirit of the Fathers of Confederation, our great statesmen of 1867. National unity, in this country, is not a passing fancy; it is not without importance to the sparse population inhabiting a boundless territory and geographically partitioned by physical barriers. Do you know what was the greatest concern of the Fathers of Confederation? It was national unity, Without that unity the confederation was but a myth. It was for its sake that they burdened the country, from the outset, with the great cost of the construction of the Intercolonial so as to unite the Maritime provinces to the central provinces, and, they gave away millions of dollars in land to the Canadian Pacific Railway so as to link both the western plains and British Columbia to the central provinces. With that end in view they encumbered our country with these great expenditures. To-day, in order to preserve this unity, in order to follow the traditions of the builders of this country, should we not still strive to make all possible concessions to one another so that we may agree and work together more efficiently for the prosperity and greatness of our country.

Mr. Speaker, the interests which I represent in this House—and this is one of the main reasons why I take part in this debate—oblige me to draw the government's attention to two questions of interest to my county. They are not, properly speaking, local questions, because they are of general interest. I wish, first, to broach the subject of branch lines of the National Railways. Last year, the House adopted a measure for the construction of branch lines to be added to the National Railways. Unfortunately, the Senate threw out the bill which had been submitted to parliament.

The Speech from the Throne acquaints us with the decision of the government to again submit, for the approval of parliament, this important measure. Nothing, at present, is more urgent for my county, than that proposed branch line which will connect the village of

Saint-Rémi d'Amherst, in the county of Labelle, with the metropolis of Canada. There already exists a line formerly known as the Montfort railway; but this line has no direct connections with Montreal. It is therefore simply a matter of completing a line in operation, by the construction of twelve miles of railway between the historical village of Saint-Eustache and Saint-Jerome,—which would allow direct connections with Montreal—and by the construction of only two miles of railway between the present terminus—where the Canadian china clay mine is located—and the village of Saint-Rémi d'Amherst.

I do not see, Sir, the necessity of again going over the arguments which militate for the completion of this branch line. Let me only state that an entire region has been awaiting for a number of years the building of these means of communication. It is also in the interest of the management of our National Railways to immediately provide for a large source of traffic. I have no doubt that the government, during this session, will bring down this important measure, which, I hope, will be supported by the members sitting on your right, Sir, as well as those on your left. I think that we should by all possible means, adopt the necessary legislation for this branch line which, after all, consists only in works of improvement or maintenance. This branch line cannot be compared to those which require the construction of more or less extensive lines. It is simply a matter of building a few miles of railway so as to link together that region of my county with the metropolis of Canada and thereby connect it with the main lines of the national railways. I think that an undertaking of this nature, should not, this year, be exposed to undergo the treatment that was meted out last session, to the construction of new branch lines. I am therefore, confident that this question will be the object of special consideration on the part of the government and that the people from that part of my county will not be deceived in their legitimate hopes.

The other subject which interests the county of Labelle, is that of assistance, by means of subsidies to the Canadian Pacific Railway for the extension of its line between Mont Laurier and Sainte-Anne-du-Lac, a distance of twenty-seven miles. It is, in this instance, a matter of the construction of a railway by a private concern, in a territory suited to settlement. Therefore, the county of Labelle, which desires the success of this enterprise, makes an appeal similar to that of railway companies petitioning the government—either provincial or federal—to obtain assistance, thus enabling them to extend their lines and thereby contribute to the development and progress of a section of this country. The history of the growth of the district of Labelle tends to show that, within the last four years, through the endeavours and inspiration of the apostle of colonization, curé Labelle, the Laurentian region has opened wide its gates to settlers and colonization has spread as far as the valleys of the rivers Rouge, Kiamika and Lièvre. To-day, it is a vast organized territory, which has become a constituency for the province of Quebec; it has also been a judiciary district for the last ten years and a diocese has been established with an episcopal seat at Mont Laurier.

This work of settlement is, in my opinion, the most important that a government can accomplish, and, it can only materialize and be carried out by means of a railway. To the north of Mont Laurier, in the valley of the Lièvre, where are to be found the best lands which have been opened to settlers for a number of years, over a vast stretch of country, several very prosperous parishes have been established. Therefore, the construction of a railway would absolutely be necessary for the people of that region, and, also to help in the development of our great agricultural, industrial and mining resources. After all, I only request the government to kindly grant, for this railway extension, the traditional assistance given to such enterprises in settled parts. I but ask for the possible means to add this new line to so many which make up the important railway of Mont Laurier. I am aware that the whole scheme is under the absolute control of the Canadian Pacific Railway, but this control should be exercised so as to promote the interests of the region, if the governments—provincial or federal—promise the usual assistance by way of subsidies. This assistance, I am fully convinced, should be given because our public men cannot remain indifferent to the development of our country. It is the duty of those who are placed at the head of public affairs to provide against the exodus of our people by keeping on the land those whose calling is the tilling of the soil.

In closing my remarks, Sir, I have but a word to add regarding an important event which recently took place. At the beginning of this session, we witnessed a very imposing ceremony, presided over by you, Mr. Speaker, and graced by the presence of His Excellency the Governor-General and the Lady Byng of Vimy. In the hall which adorns the approach to this Chamber, the memorial of one of our predecessors Lt.-Col. Geo. Harold Baker, a

colleague who fell on the battlefield, was solemnly unveiled. The heroic deeds of this elder brother were then proclaimed by you, Sir, in the lofty accents of your inspired soul and nothing remains therefore to be added to the eloquence which marked this apotheosis. This memorial will always remind us of the participation of Canada in the Great War, the bloody sacrifices and the heroism of her sons. This bronze statue erected on the threshold of the House of Commons is like a symbol, and, we trust that the soldier's uniform will henceforth stand at our door as a sacred safeguard against war.

We shall succeed in maintaining peace with the whole world through our peaceful acts and well known aims of our policy to discountenance conflicts and whatever may lead to them, as we gave proof, last year, when war was impending in the Near East. We will still thrust back this scourge of war, by adhering to the Liberal principles, which allow no authority to pledge Canada's responsibilities without the nation having had an opportunity to acquiesce or not through the authorized channel of its representatives assembled in parliament. And, in order that the work of reconstruction may be carried out on the most sound and lasting basis, we will still further remove this war possibitity by supporting the International Council of the League of Nations. I am not willing to admit that this council is so constituted as to settle all conflicts without having recourse to arms, but this tribunal is well worth the one at the Hague! Experience has not yet convinced me that this council is such as to force the nations at war to submit to its decrees; I do not much relish the indifference shown towards it by certain states at the time, for instance, of the Greco-Italian mix-up, and it is, perhaps, deserving the reproach, made, and more or less admittedly deserved, of the predominating influence of certain states in the League of Nations, to the detriment of certain other members. The Canadian nation is, perhaps, paying a high price for the privilege of being embroiled in European affairs, but I admit that the League of Nations, with the amendments which may be added to its constitution, will exert a great moral influence. And, because in this regard it is a blessing, in principle, I congratulate the government in taking part, but with certain reserves.

Before taking my seat, allow me, Sir, to congratulate the Canadian representatives for the leading part played by them at the Imperial Conference and at the meeting of the League of Nations. I, particularly, congratulate them for the noble efforts made to ameliorate Article X, efforts which had the double effect of preserving the autonomy of parliament and preserving to the League of Nations its exclusive pacific character. On several different occasions the Minister of Justice and his predecessors were the promoters of these sound principles and their action was endorsed by public opinion in this country. I, therefore, approve, in principle, the participation of our country, as a self-determined unit, in the League of Nations, with the noble idea of suppressing together with the dangers of conflicts, the ruinous expenditures of maintaining a permanent army and also with a view to making Canada appear, among the civilized nations as one of the best organized countries in regard to its industries, means of transportation and abundant natural resources which but await the necessary capital and labour to expand.

Hon. S. F. TOLMIE (Victoria City): Mr. Speaker, I had decided to take no part in this debate, but owing to the fact that some remarks have been made concerning the policy of the late government with regard to the construction of a drydock at Esquimalt, and also relative to the building of some wooden barquentines at Victoria, B.C., I feel it is only fair that I should place the facts relating to these two cases before the House in as plain terms as possible.

Before proceeding to do so, however, I would congratulate the mover and seconder of the Address for the very efficient manner in which they discharged their task. Allow me also, Sir, to express my very deep regret at the absence of the Minister of Finance (Mr. Fielding), a personal friend, and a man who has established a splendid reputation throughout the country, whose name is revered from the Atlantic to the Pacific, and whose advice will be very seriously missed in this chamber. I am also sorry to notice that the ex-Minister of Justice (Sir Lomer Gouin) does not occupy his seat. During his short term of office he had created a very excellent impression in our party and in the House generally, and I am sure that his absence, too, will be a distinct loss to us all.

During the course of his speech the other day the Prime Minister apparently was stung by the articles appearing in MacLean's Magazine, on Ottawa's Orgy of Extravagance, and he made an effort to hang as much blame as possible upon the late government for this alleged extravagance. Perhaps he was playing a fair game, and I do not object seriously to it, for I presume every hon. member has the right to adopt his own course in such

matters, but I am sorry that one occupying his high and responsible position did not pay a little more attention to the facts before making the statements he uttered regarding the Esquimalt drydock. The writer in MacLean's, too, filled with enthusiasm, has departed from the high plane of journalism and attempted to be sensational in the hope of attracting attention. His statement regarding the Esquimalt drydock is very inaccurate indeed, and while it makes very excellent reading it suffers from one severe handicap—it is untrue. But if the story had been told plainly it would have lacked political sting, and no doubt this would have very seriously interfered with its commercial value. Had he taken the trouble, he could have found the facts within the pages of Hansard. Ananias and Baron Munchausen have probably gained a very much wider reputation for the extravagant and the marvellous in fiction than our friend of MacLean's; certainly they are notorious. We all know that Ananias' effort was rather disastrous to him. The Baron, I think, simply indulged in fantastic tales as a pastime, but not as a means of livelihood. Unfortunately such articles as have appeared in MacLean's recently in connection with the public service inflict severe injury on a great many people who have no possible opportunity of defending themselves. I am now referring particularly to those who occupy positions in the Civil Service of this country, men and women who have devoted their whole lives to the public service, who have done splendid work in their time and who have played a very important part in building up Canada. Such sensational articles convey an impression throughout the land which is very unfair to those people.

I have talked often about the Esquimalt drydock and I do not want to repeat my remarks unduly, but under the circumstances I think it is only fair to the late government, to the member for the constituency in which this drydock is situated, and to myself, that the facts should be fairly placed before the House. In the first place, no drydock is being built at Victoria, B.C., as stated by MacLean's magazine. The drydock is not in my constituency, but in that of the member for Nanaimo (Mr. Dickie). Then again, it is not 450 feet in length, but 430 feet, and the difference is a very important item if you are trying to dock a ship which is a little longer than 430 feet. That drydock has been built for about forty years; it has rendered very excellent service, but it is too small for the mercantile and naval vessels that are being built to-day. During the war a number of warships, four during one year, had to seek dock facilities in the United States owing to the small capacity of the dockage on the Pacific coast of Canada. All that work was lost to our Canadian workmen at a time when they needed it very badly, and the American workmen benefited accordingly. It has long been recognized that larger drydock facilities are necessary there. A site was purchased at Esquimalt in either 1913 or 1914, at a place called Lang's Cove. This was at least three years before I entered public life, so that the statement made in MacLean's magazine and the inference thrown out by the right hon. Prime Minister (Mr. Mackenzie King) in the course of his remarks the other day, that the Esquimalt drydock was built for the purpose of electing Dr. Tolmie on the occasion of the by-election in 1919, are hardly correct. I was not connected with the project in any way, directly or indirectly, at the time the site was purchased, and I have not since then been connected with it in any way except as representative of the city of Victoria.

Yarrows Limited, the great Glasgow shipbuilding firm, decided to locate a branch plant somewhere on the Pacific coast, and after making a very careful survey of the whole of that area, both on the American side and on the Canadian side, they decided that Esquimalt was the best place to put their plant. During the war no efforts were made to carry on construction of this dock, as might reasonably have been expected; we had other more important things to take care of. But at the conclusion of the war strong pressure was brought to bear in the matter and every effort was made to have the work carried on to a conclusion The Hon. Mr. Carvell, then Minister of Public Works, announced on June 27th, 1919, that the dock would be constructed. Shortly after that, very early in July, boring operations were commenced at Lang's Cove under the supervision of the Department of Public Works, with a view to the securing of such information as would be necessary in preparing the specifications. Early in July $500,000 were voted for the purpose of commencing the work. At that particular time I had no intimation whatever that I would be offered the position of Minister of Agriculture. Some time after that, upon my return to the coast, I was offered the position, and I accepted it, and remained in the office for a period of two years. I want to say right here that so far as the drydock is concerned my acceptance or otherwise of the position would have made

no difference whatever, because we felt that the drydock was a necessity and we certainly should have continued to press for its immediate construction, particularly in view of Mr. Carvell's statement that the work would proceed.

A very important ship repairing business has already been established at Esquimalt. The commerce on the Pacific has increased by leaps and bounds. The traffic over to Australia and to Asiatic ports has increased very largely during the last ten or fifteen years. Apparently this fact has not been appreciated by those who are criticising the construction of this dock. Numbers of vessels are now traversing the Pacific of a burthen of 20,000 tons, and large vessels are becoming more numerous in proportion to the small ones, so that a small drydock is of no use for their accommodation. The development of the wheat business through the port of Vancouver has been tremendous. Just the other day when I left Vancouver on my way to the opening of the House there were no less than forty-four vessels lying in the stream at the port of Vancouver waiting for cargo, these ships having a capacity of over eight or ten thousand tons each.

Mr. JACOBS: May I ask whether any of the Canadian merchant marine were awaiting there?

Mr. TOLMIE: I did not stop to examine their teeth. There was also a tremendous growth in the United States shipping from all the ports from Seattle down to San Francisco and further south. To give you an idea of the importance of the establishment of Yarrows at Esquimalt, let me say that during the twelve months ending March 1st, 1924, 111 ships were repaired by them, having an aggregate tonnage of some 280,000. Twenty-five vessels occupied the dock, one of them for a period of two months, indicating that a large trade has already been built up at that point. Other vessels were turned away because the present dockage facilities are far too small for their accommodation. This trade is a very important one. I recall that during the war one ship occupied the drydock at Esquimalt for a period of five months, the bill for repairs on which amounted to nearly half a million dollars. Only Canadian workmen were used in that work. In the case of crippled ships it is necessary to have dockage at a very convenient point, and Esquimalt is particularly well suited for this purpose.

To give you an idea of how our live American friends are taking care of the dock situation, I may point out that there are no less than sixteen floating and graving docks between Seattle and San Francisco as compared with our two docks in use at present and two on the British Columbia coast under construction. Is it not better to be able to provide the accommodation for these vessels so that the work on British and Canadian vessels may be done on the Canadian side by Canadian workmen? The late government deserve very great credit for their far-sightedness in commencing the construction of proper docking facilities at the port of Esquimalt.

The hon. Minister of Justice (Mr. Lapointe), when in opposition, objected very seriously indeed to the building of the Ballantyne pier at Vancouver, stating that it was an extravagant expenditure, that it was quite unnecessary, and that it would not be occupied for years. What is the situation now? The whole of the accommodation is taken up. This Ballantyne pier is rendering very valuable service, and I am quite sure that the Minister of Justice has seen the error that he made, and particularly at the time he had the honour of opening that pier amidst the popping of champagne corks. In fact my Liberal friends have always been rather slow to appreciate the great development on the Pacific coast. They object to the construction of the Esquimalt drydock, which I think I shall prove in a few moments to your entire satisfaction is a very timely piece of work indeed.

They have objected very sterenuously to the building of the Ballantyne pier. They even objected to the construction of the Canadian Pacific railway and some of their leaders of that day got up in the House and said: "This line will never earn its axle grease. Where is it going? It is only going to British Columbia, where there is nothing but a sea of mountains." In spite of those statements, and in spite of the fact that the country has been handicapped by Liberal governments since that time, the Canadian Pacific has made good and to-day it is one of the greatest transportation organizations in the world. However, as we say in the racing game, the Liberals are only riding to form in connection with the Esquimalt drydock when they object to its construction. I want to predict to my Liberal friends that before very many years it will be found that the dockage facilities on the Pacific coast are inadequate. If the increase in shipping proceeds at the rate at which it is going at the present time, I am quite sure we will not have to wait very long for that day.

Our friend the correspondent for MacLean's Magazine also takes violent objection to the location of this dock. Now, while it has always been recognized that he possessed a good deal of ability as a correspondent, I have never been informed that his services have been in demand as an expert on the location of drydocks. As a matter of fact, Esquimalt is very well located for drydock purposes. Situated on the Straits of Juan de Fuca, fifty miles from the Pacific on that arm of the sea through which every ship bound for southern British Columbia ports and for Puget Sound ports in the state of Washington must pass within a distance of twenty miles, this port is almost fog-free during the whole year, so that it is readily accessible at all times. The rainfall is very light indeed. The temperature at that port will run probably about 42 in winter time and about 60 in summer, with about five-and-a-half or six hours sunshine daily, on the average, throughout the year, enabling the workmen to work outside on these ships without the least inconvenience and without any artificial heating such as is necessary in eastern yards.

Situated from the Columbia river north to about the middle of the west coast of Vancouver Island, and covering the entrance to the Straits of Juan de Fuca, is what is known as the Graveyard of the Pacific. There is a tremendous current that sets in from the Pacific ocean to that coast. This current varies a great deal, and sometimes it attains a speed of five miles an hour. In thick weather vessels attempting to make these straits are affected by this current and frequently carried to the Vancouver Island coast and wrecked. I think I am safe in saying that more wrecks have occurred in that particular neighbourhood from the Columbia river north to the point I have mentioned than on any other part of the Pacific coast. Esquimalt is situated about eighty or ninety miles closer than any other drydock on the Canadian or American mainland, so the drydock is very conveniently situated for the ships in the event of their getting into trouble.

Esquimalt has long been recognized as a very central point. In very early days when the Hudson's Bay Company decided to locate in southern British Columbia and give up the territory lying north of the Columbia river to the Straits of Juan de Fuca, they had the selection of all the ports in western Canada, but they decided to establish one of their principal ports at Victoria and Esquimalt. Then when the British navy was looking for a location on the Pacific coast, after giving the place a thorough looking over, they also decided on Esquimalt as the most appropriate place for a naval station. Then Yarrows, Limited, one of the largest shipbuilding firms in the world, located there, and to give you an idea of the size of that firm, in four years of the war they constructed no less than 58 war vessels, all of which were put into commission and stayed on top of the water, which is quite a different record to that made by some other shipbuilding concerns during the war. There can be no question, I think, as to whose argument should be accepted in favour of the location of this particular drydock, either the experts of Yarrows, Limited, engineers of long experience and specialists in that particular line, or the correspondent for MacLean's Magazine.

There has been an attempt made, I am sorry to say, by some members of the government during their meanderings over the western provinces last summer to make political capital out of the building of this drydock. The Minister of Justice (Mr. Lapointe) at Victoria had no criticisms to offer of this drydock at all. In a very pleasant way, and with a bland smile, he said there should be unity in Canada, that we should travel together shoulder to shoulder to make this a great country, that there should be no Easterners and no Westerners, no French-speaking and no English-speaking, but all one for the unity of Canada and for the building up of this country. This was all very excellent sentiment, but the good people of Victoria were impressed with his inconsistency. They could not understand how he would preach unity at the Pacific coast without preaching it in his own native province of Quebec, particularly, say, during the election of 1921. They could not understand why he with his associates during the election in Kent had preached anything but unity, in fact, why they had made efforts, to create racial prejudice for the purpose of getting votes. But when the Minister of Justice reached the prairies about a thousand miles from the sea, where the ozone from the Pacific did not permeate his nostrils any more, where the people did not know much about drydocks, and where he thought he was absolutely safe, his bland smile faded and with an indignant snort he announced that the previous government had built the drydock at Esquimalt for the purpose of electing Doctor Tolmie. He knew much better because he sat in the House here at the time this whole matter was discussed. But here was an opportunity, when he was safely away from the sea, and where nobody knew much about drydocks, where it would be difficult even to find a man who knew a drydock was something to put a ship into or

to tie it up to, to make such statements. He saw a chance there to attack the drydock and the previous government and he could not resist the opportunity.

The right hon. the Prime Minister, speaking in this debate, made statements that I was very sorry to see him make. I was sorry that he did not obtain as full information as possible before he touched upon this subject. A private member on the government or the opposition side can take a chance occasionally, but we look to ministers of the Crown to set an example to the whole House. Let us return to the days of the great Sir Wilfrid Laurier, a man whose name was respected from one end of this country to the other, a man whose ability was recognized and whose honesty of purpose was never doubted, a man who filled his position with dignity and who hesitated to make an inaccurate statement, a man who was fair in debate and who encouraged his associates to follow his example—compare this, if comparison is possible, with the example set by the two hon. members to whom I have just referred. Further, when we take into consideration the history of broken pledges, when we take into consideration the history of misrepresentations that have been going on since 1921, we must realize how the mighty have fallen and how a once great party in Canada has degenerated. On coming into power in 1921 the present government stopped the operations at Esquimalt for a period of several months. This incurred heavy damages from the contractors, and it is generally accepted at the coast that it was entirely unnecessary. Everyone knows that with the efficient Public Works department in operation, with their engineers actually on the ground watching every move of the contractors, that any information regarding the construction of the work could have been obtained within a few hours and this serious delay—throwing a large number of working people out of work and at the same time incurring a very heavy extra expenditure—would have been unnecessary. I want to say that the Minister of Public Works, in contrast to his colleagues and with a more particular knowledge of conditions on the Pacific coast, was manly enough to state that this dock was not only a good work but should have been commenced in 1912. Therefore I appreciate the action he took in this connection. That is all I have to say, Mr. Speaker, with regard to the drydock situation. I want to close by stating frankly that we have not got any more dock accommodation on the Pacific coast than is going to be necessary, and I think the late government deserves great credit for their foresight in being able to look into the future, the same as Yarrows Limited, and taking measures to promote the great prosperity of the Coast.

The Minister of Justice in his speech on March 14, referred to the construction of four wooden barquentines in the city of Vancouver, and pointed to the gross extravagance of the late government in building these ships. Here again one is struck with the partial statement of facts. I am prepared to tell the story clearly and fully to this House and through this House to the people of Canada and let the case stand on its merits. In the first place the contract for these ships was not let in 1919, as stated by the Minister of Justice, but on March 16, 1920. He did not say a word about the desperate unemployment conditions that existed at the Pacific coast at that time. These ships were primarily constructed to meet that very serious situation which existed in British Columbia during 1919 and 1920. It will be remembered that when demobilization took place the returned soldiers were offered a chance to demobilize in any part of the country they wished. The result was that a very large number went out to the Pacific coast and were demobilized there. In consequence there were thousands of returned men on the Pacific coast, many thousands more than had enlisted in the province. greatly increasing the unemployment situation. The lumbermen of British Columbia, noticing the success of lumber carrying in wooden sailing ships, had long argued that if sailing ships were available they could convey lumber from British Columbia to distant ports of the world at very small expense. In the case of one of these barquentines such as was built at Victoria the crew numbered only fifteen or sixteen men, the carrying capacity would be around 2,000,000 feet of lumber, and, without any fuel being necessary, the transportation of lumber was done at the lowest possible cost, providing a reasonable trip was made. On looking round for some means of employment for the returned soldiers out of work it was decided that wooden ship construction offered the very best opportunities to provide the most work for the greatest number of men. In the first place work would be necessary in the woods in getting out the logs. Then it would be necessary to transport these logs to the sawmill, where work was provided for the men in the cutting up of the logs. Then followed the transfer of the cut timber to the ship yards where the returned men could take part in the building of the ships. So there was no other particular line of work offered as much opportunity for employment as the

construction of the wooden ship at that time. Strong pressure was brought to bear on the government by returned men and others at that period, and finally a delegation consisting of returned men, labour representatives, and merchants, headed by the mayor of the city of Victoria, came here in December, 1919, and urged the government to undertake the construction of these ships. The government refused to build ships on their own account, but after a while a compromise was reached whereby a company was to be created in the city of Victoria. They were to subscribe a certain amount of the money, and the government was to advance the balance needed for the construction of each vessel at 6 per cent interest, and to have a first mortgage on the finished ship. Some six hundred of Victoria's citizens co-operated with a view of helping out the situation and doing something towards getting the returned men re-established. In the contract a clause was inserted making it necessary to employ not less than 60 per cent of returned men, and every man was to be hired through the government labour bureau. Due to the men being new at the work—many of them having had no previous experience in ship building—and also due to a lack of capital, the project did not turn out successfully, with the result that only one ship was finished. She turned out very well and conveyed several cargoes of lumber to the distant ports of the world. Finally the ship got into a very severe hurricane in the southern seas, had to put into the port of Honolulu for repairs, and on her return to Victoria was disposed of by the government. The other ships were partially finished, the hull of one being about half done, another one fairly well advanced, and the keel of the third one, I think laid. When this government came into power it required from December, 1921, to October 3, 1923, to wind up the affairs of this company, almost two years. During this period there was a very serious loss incurred from the deterioration of material of various kinds but had this matter been handled in a more businesslike manner by the Minister of Justice, who was then Minister of Marine, many thousands of dollars would have been saved. I may say that the shareholders lost all their money in connection with this venture. There were several organizations, such as returned soldiers' bodies, that offered to take hold of these yards, but no bargain could be made with them. The Minister of Justice quoted a letter from Mr. Ballantyne addressed to me in which it was stated that he would take no interest in the construction of these ships. Let me say that during the whole period of the construction of the vessels the work was carried on under the supervision of the Department of Marine, Mr. Ballantyne's department, which maintained a man on the ground to supervise the work.

Let me point out too, Mr. Speaker, that the present Labour government in Great Britain to meet the existing labour situation there which is aggravated, but which is no
9 p.m. worse than the situation on the Pacific coast at the time I mention, have recently let a contract for the building of five cruisers. The British government do not really need the vessels, they are building them simply to meet the existing situation. I claim that the late government in Canada followed the only course it was possible to follow in the construction of these wooden barquentines and in undertaking other work on the Pacific coast to provide for the unemployment, and that this was ten times better than the adoption of the dole system which has very bad results on our working people.

Now, Mr. Speaker, I have no further remarks to make in this connection. I only hope that I have made my explanations concerning these two ventures very clear to the House.

Mr. JOHN EVANS (Saskatoon): It has been gratifying to me, Sir, and to some of us in this part of the House, that the present debate has turned almost entirely on the tariff question. Old political prophets such as Cartwright and Blake foresaw this day. They knew it had to come. They said it would take more than a generation for the people of this country to wake up to the position they were placed in by the Old National Policy. It has taken more than a generation, but the day has come, and this question has got to be settled first. The trade penalty known as the tariff, is a tax that must be paid by a class who receive no benefit from it. In the case of Canada it is chiefly the farmer who pays because he is not able to pass on the unjust charge to any other class, and he can no longer bear the burden. Every advocate of trade penalties in this House during this debate has drawn an awful picture of what is going to happen to Canada if the tariff is abolished or even lowered. But they have not even deigned to notice the state of agriculture as it is to-day. That state has been brought about by the tariff during the years since the National Policy was first inaugurated. The hon. member for Vancouver Centre (Mr. Stevens) has stated that the reference to the

tariff in the Speech is like the sword of Damocles hanging by a single thread, a slender thread, over the heads of the manufacturers. He declares that they cannot purchase their raw material without a proper interpretation of what this means. The inference is that they must have a privilege maintained or go out of business. But one thing which has appeared very striking to me, Sir, during the whole of this debate, is that those who have taken part in this discussion and advocate protection, look upon it, not as a concession, but as an inherent right. But there has never been anything in this House before that has so nonplussed the manufacturers as the inference in the Speech from the Throne that the Liberal party is coming back to its own platform. The hon. member for Vancouver Centre (Mr. Stevens) indulges in his usual accusation of the density of mind of myself and my colleagues here, and indeed he almost despairs of penetrating that density in his plea for the manufacturers, in propounding the old joke of a home market. To me, Sir, the incongruity would seem to be that the hon. member is trying to elucidate a theory which the Romans four thousand years ago found to be a fallacy. That was when for a time the slave dealers of that period were successful in getting the ear of their government. The hon. member says at page 304 of Hansard—

> I must be most weak in placing my argument if I cannot make myself clearly understood.

I wish to inform the hon. gentleman, since it is evident he does not know, that there is no logical argument for class privilege, or as he would call it protection. At best it is an imposition, it is a trade penalty, and in the end is bound to prove a boomerang even to those for whose benefit it was first inaugurated. Even on the hon. gentleman's own admission, which I do not admit myself, the woollen industry is in a serious condition, a most hopeless condition, after enjoying for 40 years this privilege of extracting from the home consumer at least one-third of their income, for which they have given nothing in return. No one can deny that the consumers of this country have paid one-third more for their woollen goods than they could have been bought for in the markets of the world. According to reports the Canadian Manufacturers' Association held a meeting at Hamilton on January 24th. It was devoted almost entirely to the tariff. Since then, I believe, they have been presenting demands to the government here for increased import penalties. Now, the manufacturers have had protection since 1879, and since that time they have obtained privileges such as the manufacturers in other countries never dreamed of. They pleaded then for privileges because they were infant industries. They have abused these privileges. They have destroyed their own market. And now, like the dope fiend, they come back for more of the stuff that has brought them to this state of imbecility. The report of the special committee of the Canadian Manufacturers' Association on taxation is perhaps the most illogical product of biased minds imaginable; and the resolution previously passed, and again reaffirmed at that meeting is almost ridiculous, to say the least, as it declares that the adoption of a stable and sound fiscal policy based on an adequate customs tariff will bind together more firmly the provinces of Canada in national unity. The report declares that this policy will attract capital, commercialize our natural resources, strengthen existing industries, and create new industries: raise revenue, encourage immigration, provide employment, increase traffic for the railways and for our national ports, lower freight rates and make farming profitable, create new markets abroad and facilitate profitable bargaining by means of tariffs with other countries. Well, everybody is to be made rich and happy. Producers and consumers alike are to be benefited simply by the process of reducing imports or prohibiting imports, the government is to reap an increased revenue from a diminished source—most remarkable. A protective tariff cannot benefit every citizen alike. If it did it would not be protection at all. And the fact that Canadian manufacturers have benefited is because they have charged an unjust price, a price not based at all on competition for their goods which the home consumer must pay Without going into the whole question and answering all the statements in that resolution, I want to say that protection does not increase employment and importation does not lessen it. Why? Because all imports must be paid for by exports.

In this connection, I was surprised to hear the leader of the opposition (Mr. Meighen) declaim against the evil of spending $1.50 in the United States for every dollar they buy from us. This is an old argument, and to some extent in the past our people have believed that an evil did exist in the fact. But what are the real facts? The protectionist is equally averse to the importation of goods from Great Britain even though

Great Britain buys a great deal more from us than we do from her. The United States does not want our wheat, which forms the bulk of our exports to England; and when trade is free as it is in Britain, Britain cares not whether she pays for that wheat by goods shipped to Canada, to the United States, to Brazil or to any other country. Indeed, Sir, what a ridiculous argument it would be for a British statesman to tell his people that they should do without Canadian wheat unless Canada bought the equivalent in British manufactured goods. In that case what would be the condition of agriculture in Canada?

Last year my friends to the right were very emphatic in the prophecy that Britain was going to adopt protection. The leader of the opposition in his speech on the present occasion however, did not once refer to the cause of the defeat of the Baldwin government. The Canadian Manufacturers' Association today are parading the bogey of depreciated currency and the cheap labour of the war-impoverished nations of Europe. Well, they are just as much alarmed at the competition of a rich nation with dear labour as they are of the impoverished nations of Europe. The United States currency is not depreciated; yet hon. gentlemen are as much afraid of the United States, the richest nation in the world, as they are of the poorest countries across the sea. The hallucinations of the protectionist mind have always been to me a strange enigma; the protectionists see danger in everything. The truth of the matter is that our tariff-fed industrialists in this country have never yet found their place in the industrial world, and after fifty years of protection, which has improverished the basic industry of the country, we find the Canadian manufacturers coming to the government for increased protection. They are still the whining vagrants of the nation.

Let us look for a moment at the argument in regard to the depreciated currency, or, as they like to call it, "the invisible bonus." They say that the franc, which is normally worth about 19 cents, is now worth only 5 cents, and the inference is that the dollar has a purchasing power in France equal to these depreciations; that is to say, that 5 cents will now buy what previously cost 19 cents. According to that argument, then, in Germany 1 cent ought to buy several dollars' worth of goods. Let us take the case of the franc, for example. If five pairs of boots can be purchased in France for 125 francs and the same number of francs converted into Canadian money will buy only two pairs of boots, then France will export boots to Canada, because the exporter will have to sell only two pairs of boots to get as much money as for five pairs at home. But if prices should rise in France, as they have done, and 125 francs there will buy only two pairs instead of five, then their export business in boots is bound to fall because it can be carried on only at a loss. And the figures taken from the trade returns have proved this to be the fact. In the case of Germany, in the year ending March, 1914, we imported from that country over three and a half times more than we sold her; in other words we imported $14,586,223 while we sold her only $4,049,019; and in 1922 we sold her over twice as much as she bought from us. So that the statement of the Canadian manufacturers in this regard is just another misrepresentation; we are actually selling to Germany twice as much as we are buying. In the case of Italy, where also the currency is depreciated, we are selling them over twelve times as much as we are buying from them. The question then is, how are they paying for the goods? They are paying us by creating credit somewhere else. This credit, in the case of Italy, is created mostly in the United States, and the United States ships goods to us to liquidate the debt. This, no doubt, accounts for the heavy imports from the nation to the south of us, and this fact would surely go to show that rather than increase our tariff against Uncle Sam we should cultivate closer trade relations with this rich uncle.

In the same statement referred to, the Canadian manufacturers say that adequate protection will bind together the provinces of Canada in national unity. This is perhaps the most remarkable utterance of a biased, prejudiced mind that I have ever heard. What is the cause of the present discontent either in the Maritime provinces or in the West if it is not that iniquitous trade-prevention law of privilege known as the tariff? Does any man expect that unity can be brought about by giving to one class the privilege of exploiting another, thereby depriving them of even their very rights as citizens? It is simply economic madness to suggest that a feeling of unity can be promoted by any other means than placing all the people on a footing of equality. All political unions are based on economic equality; and if ever true peace is to be established among the nations of the world by the League of Nations it will have to be on such a basis. If ever a British commonwealth is created of Britain and the overseas do-

minions it will be based on a free trade policy acceptable to all the nations concerned. I think the demand of the delegates at the Imperial Conference last year for a preference on the products of the dominions was foolish, and it was both unjust and unfair to Britain. I cannot help thinking that the demand is bred of the same greedy callousness which characterizes that class in this Dominion which has walked roughshod over the rights of our people. They thought to bring the British under the same yoke, but Britons would have none of it. The demand may simply be termed the selfish whine of a set of petulant children to the mother who nurtured them, rather than the dignified deliberations of loyal, patriotic statesmen from countries seeking nationhood. They could with some consistency advocate a preference for their products in the British market did we and the other dominions admit British goods on the same basis as Britain admits ours.

England has had a free trade policy since 1846, and under that policy she has accumulated great wealth. It was that policy which enabled her to come successfully through the most exhausting struggle that any country ever waged for its national existence. It was that policy which also enabled her to advance over two billion pounds to her Allies. Later we find Great Britain the only country to whom credits for over one billion pounds were extended by that great protectionist country, the United States of America. Free trade Britain has restored her financial credit, while every protectionist country in Europe has its currency and its financial credit hopelessly impaired.

What shall we say then of our selfish policy in face of all these facts? And why do our manufacturers need a preference in the British market? I have here a cutting from the Commercial Intelligence Journal, of April 15, 1922, which informs me that 480 Canadian firms have agents in the United Kingdom, these firms dealing in goods all the way from agricultural implements, foodstuffs, household utensils, domestic woodenware, chemicals and tools of all kinds, to articles used in the cotton and woollen mills. Will the member for St. Lawrence-St. George (Mr. Marler) say that our tariff helps our manufacturers to export to European countries? Does Britain give them a preference on the goods mentioned, or how is it that they can compete in the British market when they whine for a protective tariff at home?

I also find in the last number of the same journal a statement from Mr. Beddoe, our trade commissioner at Auckland, New Zealand, showing that in 1923 New Zealand imported 12,359 motor cars, of which 7,380, or nearly two-thirds, worth £966,384, came from Canada. Do the Canadian manufacturers enjoy protection in the New Zealand market for motor cars? If not, what is the inference? Do they export automobiles to New Zealand and charge to the home consumer a price that will assure them a profit on all their export trade? Do they need it? Canada sent to New Zealand 925 motor lorries and motor busses during 1923, of a value of over $4,000,000, while the United States sent only 437, and Britain a still lower number, merely 217. So we find our manufacturers are quite capable of competing against all comers in every country in the world except their own. Perhaps the member for St. Lawrence-St. George, or the member for Vancouver Centre (Mr. Stevens) can explain why our manufacturers need tariff protection with respect to the home consumer. Either they can compete in the markets of the world without a preference, or else—if we admit their professed helplessness—they are dumping goods in Britain at a price below cost and are charging the loss to the home consumer—something which the tariff enables them to do.

Indeed, Sir, the farmer has been placed in this position with regard to his own products for many years, and it is well known to-day that flour manufactured from our own wheat can be dumped into the countries of Europe at a price below the cost of production, and that the home consumer is charged a price for his flour to ensure a profit over the whole transaction. The farmer of the West to-day is placed in that position. I know there is seldom any relation between the price at home of unmilled grain and the flour milled from it.

The finished product at the point of production is as dear as, or dearer than it is in the countries to which our wheat is exported. This is one instance, surely, of how the tariff hurts the home producer. The farmer has to sell his products in competition with the products of mills in all parts of the world, he has to compete with the cheap labour of the whole world, and not once have I ever known the price of any commodity in this country at the local points higher than the world's prices. But we are quite willing to compete against them on any fair basis. But the time is come when the agriculturist must have freedom in buying as well as in selling. The duty on instruments of production is mentioned in the Speech from the Throne as being about to be reduced. But it will make little difference even if they are placed on the free list unless they are withdrawn

from the application of the dumping clause. The words "fair value for home consumption" are no longer impartially interpreted; they are interpreted according to who the importer happens to be. It is not the business of any government to discriminate between one citizen and another; the laws of the country should be the same for all. I say these words are interpreted according to who the importer happens to be, and no co-operative concern can buy for co-operative distribution anywhere in Canada. They cannot get their supplies without being penalized under the anti-dumping clause. If anything is done at this session to lighten the load which at present bears upon the farmer of this country, it should be to abolish the anti-dumping clause. Of course if anything worth while is done it will be a general cut on the whole list so that the cost of living may be brought down to a lower level. But the anti-dumping clause as it stands to-day and as it is being applied to-day is the one thing that stands in the way of any co-operative effort of the people themselves to lower the cost of living.

The agriculturist has borne pretty well the whole burden. I fancy I can hear hon. gentlemen say that if we abolish the anti-dumping clause we shall be overwhelmed with goods from Germany, from the United States, and perhaps from some other countries. I want to tell this House that the agriculturists of this country can stand a good deal of dumping at the present time. People on the farms to-day are short of every commodity they need, but the distributing combine, which, according to the president of the Canadian Manaufacturers' Association, is sixty per cent too great in number, is so completely organized so far as this anti-dumping provision is concerned that they have got the prices too high to permit our people to purchase the goods they need, even after marketing the biggest crop in the history of this country. Our purchasing power has been destroyed through the operation of the anti-dumping clause and this condition will prevail as long as certain interests are protected by these measures. We sell our produce in line with the world's prices, after having to raise it under these conditions.

Coming to a remark made by the hon. member for Vancouver Centre (Mr. Stevens) regarding the percentages of increases of our products, and of our commodities. I wish to correct him in one or two particulars. He says that the price of one or two of our chief products increased in 1923 over the 1913 price by 51 per cent. It is not so. Taking his own figures which he himself gives, the increase works out at 28 per cent, and not at 51 per cent as stated by him. The hon. gentleman may not have meant to create that impression, but an error of 23 per cent is rather too much to go uncorrected. Then again, on four of our chief products he says there is an increase of 44 per cent. Again taking his own figures, we find that the increase is not 44 per cent but 35 per cent. I am referring to the figures he gave as found on page 311 of Hansard.

Although there are hard times in Canada to-day, I am not one of those who would write "Ichabod" over the portals of this nation. But I do want to give notice to some of those who are responsible for the policy of this country. financial and industrial, and who are responsible for the present conditions of life on the farms as well as in the centres of industry, that they have no right to saddle themselves on the backs of the workers, whether farmers or labourers. This nation needs a whole course of civic and national instruction, but at present it seems that our schools and colleges are muzzled by privilege. Our moneyed magnates and industrial kings are simply goading men into rebellion, and they have these measures to protect them. Let us treat men as men, and a display of the militia with their bayonets and rifles will not be needed to preserve order The working man of this nation, whether the farmer or the labourer, must be given his share, he must have his rights recognized. And when men are given their rights they willingly assume the responsibilities of citizenship. To this end the cost of living must be no longer burdened with trade penalties, and the efforts and enterprises of the people individual and co-operative, must not be held down by any class privilege.

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, I am sure that I shall receive the gratitude of my associates—of my word weary associates, I might say—when I announce that I am not going to say a word about the tariff. It is a great temptation, I admit, but I have steeled my heart and my conscience and I am not going to say a word more about it I only want to speak for a few minutes about some remarks that fell from the hon. member for Victoria City (Mr. Tolmie). He reproached the cabinet benches, more particularly the Prime Minister (Mr. Mackenzie King), I think, and the Minister of Justice (Mr. Lapointe), warning them that whatever we might expect from the common herd of members, at least from the cabinet, from men of their position, we expected a measure of fairness and truth in their pronouncements. Surely that was a very modest statement, I

hope, Sir; the standard of our Canadian statesmanship as exemplified by ordinary common members is not so low as to cause us not to expect some measure of fairness and truth even from the common herd. However, he confines it entirely to the demand that those on the front government benches shall have some measure of truth and fairness in their utterances. I wonder, Mr. Speaker, if that is also extended to ex-cabinet ministers? I recall some months ago an ex-cabinet minister coming—shall I say, returning?—to British Columbia, after a careful and no doubt thoughtful and thorough survey of the political conditions of Canada, and, like all politicians, when he came home he told us what his reasoned judgment was as to those conditions. He told us that in the election, which he said was imminent, Quebec was going to return a large number of Conservatives. He told us that Nova Scotia, as evidenced by the recent by-elections there, would be probably solid Conservative. Ontario was going to tell the same glad tale, but it was when he came to the prairies that his enthusiasm fairly boiled over; he said that the Progressive party was breaking up and flocking in large numbers to the Conservative standard. I cannot imitate to the full the beauty of his language, but it gave the impression of a mighty ice-bound river breaking up and the people who had been caught on the ice making all possible attempts to reach the haven of rescue which he described as being within the Conservative party. He gave us the impression that it would be like the children of Israel who, after they had been bitten by serpents, had only to look to the brazen serpent to their right and all would be well. Curiously enough he did not tell us anything about what was going to happen in British Columbia, because we might know what is going to happen there. It is noble to seek truth, Mr. Speaker; it is beautiful to find it, is it not?

Before I pass on to what I really want to speak about, and that is the drydock, I would like to say a few words about the question of wooden ships or ships of any kind that were built during the war in Victoria. I am sorry that any man from British Columbia has raised that question here to-night, for it is one that none of us who know the circumstances can recall with anything but reproach. I know something, a very little, of the way those ships were built, and what I do know gives part of the reason why we are paying such enormous taxes to-day. Graft was rampant in every detail in the manner in which they were built. I had a friend who went there to work. He was a carpenter, employed in putting in panels, and he wanted to hold his job. Poor foolish man, he thought that working was a necessity to hold his job, and he started to put in his best licks. Along about eleven o'clock the straw boss came along and asked, "How many panels have you put in?" He spoke harshly, and the carpenter thought he was finding fault. "I have only put in five," he said, "but I guess I can put in another before noon, and once I get in my stride I will do better than that." "Good Lord, man" was the reply, "do you know what is a day's work here on these panels? Five panels is a day's work, and don't you put in another panel to-day." That is an absolute fact, recorded by a man who was there. Another man told me that his greatest difficulty was to keep out of sight. That was all he was asked to do. He registered when he went in and again when he came out, and all he had to do in the meantime was to keep out of sight. Those are facts perfectly well known on the Pacific coast, and it ill becomes any man from British Columbia to talk about the scandal connected with the building of ships in Victoria. I would not have mentioned this if it had not been forced upon me.

My hon. friend began his remarks, very much to my surprise, by a criticism of the articles appearing in MacLean's Magazine. I was very much surprised because I thought the general trend of those articles was distinctly favourable to the party of my hon. friend. If I recall correctly the very first article ended with a recommendation to turn the present government out of power. You would think that was more or less of a partisan statement, and I think the trend all through has been somewhat similar. Now my hon. friend finds fault with these articles and with the man who wrote them, but his views are not shared by the remainder of his party. In MacLean's Magazine of March 1st I find two pages of eulogies from various prominent statesmen, politicians and newspapers. One is from Mr. George B. Jones, M.P. who writes, "I feel sure the criticism will do good, and we do know that it is truthful." Then we have Senator Gideon D. Robertson giving the articles his blessing. We find also the Hon. H. H. Stevens, of Vancouver, giving them his blessing. How are the mighty fallen from their seats! There is also a whole page of eulogies from newspapers. I do not know them all, but the British Columbia ones which I do know, are distincly Conservative in their attitude, so my friend in finding fault with the writer is going contrary to the traditions of his party, which is generally all to stick together.

He has told us a great deal about the need of a drydock. He told us how a certain portion of the Pacific ocean is known as the graveyard of the Pacific, and he drew some kind of analogy that the one needed the other, But you do not need drydocks to rescue ships, not at all. After a boat has gone on that west coast there is very little hope for it. If it is pulled off it will be pulled off by a wrecking crew and a ship adapted for that purpose. It would be towed to the drydock; you could not tow the drydock to the ship. So all this talk about the west coast and the graveyard of the Pacific has nothing at all to do with the point. I failed to hear, but that might have been my misfortune, two years ago and again last year when I was in this House beseeching the Minister of Marine to take the necessary steps for properly safeguarding that graveyard—I failed to find my hon. friend with all his local knowledge and with his position as an ex-cabinet minister lending the weight of his great influence to my representations. But to the honour of the minister those improvements were for the most part put in order, and to that it can be ascribed that there have been very few wrecks there since then. One small addition alone, that of the direction-finding machine at Pachena, has been the means of saving several ships this winter. In the month of December alone they had seven hundred calls, which they answered. Of course, many of them were from ships just testing their position, but in many cases this improvement has saved valuable ships from going on the rocks, and that is far more use than this drydock after you have got it on the rocks.

But the point made by my hon. friend was that the Prime Minister in his opening speech made the statement that this drydock was built to elect the hon. gentleman. The Prime Minister did not tell us it was not a drydock or should not be a drydock, he said the drydock was built to elect the ex-Minister of Agriculture, and I will endeavour to show how much of that is true. By the way, in his closing remarks the hon. member said that this drydock was going to be necessary. There are a lot of things going to be necessary, but we do not spend five millions on them before they do become necessary.

The Prime Minister said that the drydock was built to elect the hon. member. Victoria, I am sorry to say, although I am not a native of that city, has always been a city that was peculiarly susceptible to invitations, we will call it, of that character. It always needed a hand-out in plain English. That is one of the reasons perhaps we find that the representation in parliament from rural constituencies is—I will not say a cleaner body—but a less approachable body than those from the cities. You could bribe one big city with a drydock or with a great many other things, but you cannot bribe a whole agricultural community, because the little town that gets the graft will be vehemently opposed by all the other little towns. But in the case of a city like Victoria they look for, and generally get, a hand-out of some description. Far back in the history of British Columbia politics I can recall when railway charters were the order of the day. The government then was practically a Victorian government. I always used to notice that it did not matter where the railway was projected, either in the extreme eastern part of British Columbia or elsewhere, so long as the terminus of the proposed railway was in the city of Victoria they could get a charter for their railway no matter how outrageous and unreasonable it was. So it has gone all down the line. I can recall two elections, because the government generally carry one on the promise and one on its tardy fulfilment, that the government won on the building of enormous expensive docks. Of course, the fact that they were unnecessary had nothing whatever to do with it. That was many years ago, and even to-day those great ocean docks are not connected with the railway. But that did not matter. They had to have the docks, and it was only after they were built—I do not know why, because there was so little shipping—that they discovered that the dock was four feet too high or four feet too low and that no large ocean-going boat could dock there, or ever will dock there for that reason. Twenty or thirty years ago members who come from the Old Country will recall that there was a great cry in magazine articles, "What shall we do with our boys?" The boys were growing up; the colonies were but little known then, and every other magazine had an article on, what shall we do with our boys? Very often they sent them to Canada, to the great benefit of this country. But in Victoria the question has arisen among the latter day statesmen: What shall we do with our docks? Various suggestions were made, but the brightest one came a few months ago when the tide of wheat began to flow into Vancouver. One man wrote a series of articles in the papers to prove that the proper thing was to ship the wheat from them. The wheat was to be brought to Vancouver and transported thence to Victoria then I presume carried by wagon from the terminus of the railway to the dock, to the docks that were four feet out of level, and then put into the

ship, and as the writer pathetically said, "It will be something to do with our docks." As a matter of fact, Mr. Speaker, and I think perhaps it is a good idea for every one to speak the truth on this matter, that drydock should have been built in Vancouver, and I defy the members for Vancouver, any one of them, to stand up in his place and contradict me. The hon. member for Victoria (Mr. Tolmie) went into facts and figures, and I am pleased to follow him. He said that the drydock site was bought in the year 1913 or 1914 at a place called Lang's Cove. That is quite true, but there are some half truths that are worse than an absolute deception. I have no doubt that a site was bought. The sum of three or four hundred thousand dollars was spent, but the site was not worth anything because you could not make a dry dock there. Perhaps it was never intended to put one there. However it served to carry the election at that particular date. Later on came this other election, and it was felt that something really had to be done this time; the people would not stand putting off any longer and a drydock had to be built. However the dock was not built at Lang's Cove, it was built at Skinner's Cove. Now, the money was voted on the 27th June, 1919, that was five years after the false dock site was bought and found to be unsuitable. So they got busy. On the 27th June, 1919, the money was voted to go on with the dock, and on the 2nd August, the hon. member was sworn in as Minister of Agriculture. Could anyone see a connection between those two facts? On the previous occasion the site was bought at a place that was no good and the matter had not been touched for five long years, but at the crucial moment—not at the crucial moment, I am exaggerating, but five weeks before my hon. friend was sworn in, it was discovered that the site was not suitable. Another site was bought, and parliament voted the money to build this drydock. My hon. friend tells us further that half a million dollars was set aside out of that sum in July for boring to find out whether it was suitable or not, and he was sworn in on 2nd August of the same year. With true modesty my hon. friend merely told us that he was sworn in "some time after that".

Mr. MEIGHEN: Will the hon. member tell us who was Minister of Agriculture at the time the vote passed this House?

Mr. NEILL: No, but the hon. member for Victoria was the expectant minister.

Mr. MEIGHEN: I tell the hon. gentleman that the hon. member for Marquette (Mr. Crerar) was minister and there was no expectation whatever.

Mr. NEILL: I do not suppose the hon. member for Marquette was instrumental in getting a vote for his successor.

Mr. MEIGHEN: He was the member of the government who recommended it to this House.

Mr. NEILL: On the advice of whom?

Mr. MEIGHEN: On his own advice.

Mr. NEILL: On his own advice?

Mr. MEIGHEN: Yes.

Mr. NEILL: The hon. member for Marquette recommended a dry dock for Victoria on his own advice? Do I get that right?

Mr. MEIGHEN: What I said, and I do not propose to be misrepresented, was that he was the member of the government which recommended it. When the hon. member asked me upon whose advice he was a member of the government, I said, on his own advice.

Mr. NEILL: I did not refer to the creation of the hon. member for Marquette, I was talking about the creation of the drydock, or rather the vote for the drydock.

Now, I propose with your permission, Mr. Speaker, to quote a few extracts, a very few, from the Victoria Colonist. Those who are familiar with it know that the Victoria Colonist is a strong Conservative paper, and therefore its absolute accuracy can be relied on.

Mr. MEIGHEN: Much better than yours.

Mr. NEILL: If the hon. member wants to speak I will be happy to yield him the floor.

On October 16, 1919,—by the way I may say that while the hon. member was sworn in on the 2nd August, 1919, the election was not held until October 27—that date is important; October 27. So we find on October 16 an editorial reading as follows:

> The announcement is made that tenders for the drydock will be called for immediately.

That was eleven days before the election. Just about the psychological moment was it not? On the same date in the same paper at a meeting we find Hon. Dr. Tolmie speaking as follows:

> They tell you that this drydock scheme is merely a vote catching one. Before I left Ottawa I had the definite assurance from members of the Cabinet that

this work will be proceeded with. I fully believe that assurance.

On October 19, we again find my hon. friend making the following statement:

> As to the drydock there is no camouflage so far as I and the government are concerned. The government has given me its solemn pledge that the work will be proceeded with and I am here to say the work will go on.

You see he had to be emphatic because this was the second time the drydock had been undertaken. Then again, on October 21, in his printed manifesto to the electors my hon. friend used this language:

> We secured a vote for it (the drydock) at end of June (1919) and work will be proceeded with without delay.

On October 26, as the final windup before the election, which was next day, we find an editorial reading as follows:

> People will attest by their votes their estimate of how much Mr. Tolmie was responsible for having made it possible for this great shipping facility to be begun this winter.

And there are more with which I will not burden the House.

There is just one other point I wish to allude to. The hon. member (Mr. Tolmie) said in his speech, and so did the hon. member for Nanaimo (Mr. Dickie) that, after all, Esquimalt, where this dry dock is, is not in the district of Victoria but in that of Nanaimo. That is just one of these truths which is true but misleading. It is perfectly and literally correct that it is not within the actual confines of the district of Victoria, it is in that of Esquimalt which extends up to Nanaimo eighty or a hundred miles. But Esquimalt is, to all intents and purposes a suburb of Victoria about two and a half miles distant and connected with it by tram line. Citizens of Victoria live out that way in pretty villas, and so on. The working people of Victoria go out there to work and vice versa. They are one and the same to all intents and purposes. The expenditure of $5,000,000 in Esquimalt would accomplish as much benefit and be as successful in vote getting in the city of Victoria as a like expenditure in Ottawa would be in the city of Hull; the parable is an exact one. While it is perfectly true it is in the Nanaimo district, yet to all intents and purposes the benefit and the vote catching value of it would be just the same as if it were in the actual city of Victoria. Truth is a noble thing. Truth is supposed to be at the bottom of wells, but some wells are very deep.

10 p.m.

Now the text of my hon. friend's eloquence was directed towards the statement of the Prime Minister that the drydock was built to ensure his election. I maintain that I have sufficiently demonstrated the facts to hon. members to make up their minds. As to whether the Prime Minister was correct in that assertion I will leave it to them to say—I recall that some years ago, in the time of the great boom there was an intensive campaign to advertise motor cars throughout the States. One man advertised: "This is the best car." A second advertised: "This is the cheapest car." A third man said: "This is the safest;" and so on. But one particular man thought he knew the mind of the American people, thought he knew the class of people to whom he was appealing, and he advertised his car with these words: "This is the dearest car." He knew his clientele; he was out to catch the purse-proud millionaire who wanted to be able to say: "My car cost more than anybody else's." So we find a parallel to-day in the case of my hon. friend. He goes about the country a great deal, during the parliamentary recess, engaged in a business which is a sort of collateral to his political duties, and he will be able to point to himself as "a pearl of great price." I remember that when Paul was haled before—was it not Agrippa?—in the course of his trial it came out that he was a Roman citizen, a great honour in those days. The chief captain looked at him and asked how he came to be that. Paul said, Yes, he was a Roman citizen, and the chief captain replied, "With a great sum obtained I this." So my hon. friend can say "With a great sum obtained I this seat." But the commoner, the ordinary members from the prairies and other districts, can perhaps say, like Paul, "But we were free born."

Mr. L. J. LADNER (Vancouver South): I wish to deal briefly with the remarks of the hon. member for Comox-Alberni (Mr. Neill), but before doing so I wish to express my regret as a young man—and I am sure many hon. gentlemen feel the same way—at the absence of one of our Canadian statesmen, the Minister of Finance, the member for Shelburne and Queen's (Mr. Fielding). We all miss him in this House. We miss the brilliancy of his mind and the soundness of his judgment. I had not anticipated making any references to the remarks of the last speaker, but he has hurled at me and my colleagues from Vancouver a defy regarding the Esquimalt drydock. He says that he defies the members from Vancouver to contradict the assertion that a drydock should have been built at Vancouver. Now, Mr. Speaker, I wish to deny this assertion and say that a drydock should have been built at Esquimalt, but may I add, as actually happened, another

should have been built at Vancouver. I was much interested, really more interested, in the fact that the hon. member rose in this House for the first time as a champion of the government. He is the man selected to answer perhaps the most popular member of this House, the hon. member for Victoria City, and he seeks to throw ridicule upon him, invective, and to charge him with insincerity. Any hon. member who knows the hon. member for Victoria City knows perfectly well that none of those allegations could be applied to him, and these remarks, coming from an hon. member and a gentleman who for many years has known the reputation of such a distinguished member of this House as the hon. member for Victoria City, are somewhat surprising to me. I would have thought perhaps the government would have chosen someone from some other portion of the country to have performed this kind of deed, let me say, to use parliamentary language. The hon. member for Comox-Alberni reminds me of the experience of a friend of mine who was travelling from New York over to a great convention of Rotarians in Edinburgh, and, as many of you know, each Rotarian carries the badge on the lapel of his coat, with his name, place of residence and occupation. On one beautiful Sunday morning a certain serious-minded,—should I say long-faced—individual, proceeded about the boat, and without any explanation or without any words whatever, he would come to one member after the other, take hold of the lapel of the coat, and examine the badge with a magnifying glass. My friend proceeded with his reading, but soon this individual found his way to him, and the friend suddenly saw a large hand appear under his nose which hand grabbed the lapel of his coat adjusted the magnifying glass and examined the badge. The gentleman looked up in great surprise and this is what the man said: "I am Alex. Smith of Spokane undertaker; I am looking for somebody". The double application of the story rather fits the present situation. The hon. gentleman has endeavoured to answer the hon. member for Victoria City with arguments and assertions, which are witty, but which are not nearly so substantial, and not nearly so sound in fact as the assertion we have heard from the hon. member for Victoria.

Before proceeding with the main portion of my remarks I would like—and it is with a little diffidence I undertake this duty—to refer to the words of the Minister of Railways (Mr. Graham) this afternoon. That hon. member is generally fairly accurate, but to-day he launched into a torrent of political argument, no doubt for political effect, with regard to a certain statement made by Mr. Monty at Montreal. The fact of the matter is, Mr. Speaker, that although the Minister of Railways may be good in the administration of his department he was a little bit out in his French, not that I profess any excellent knowledge of French, but I have special means of knowing something about it. The actual words which were published in the press on Tuesday, the 29th January, 1921 were as follows—

> Les libéraux, dit M. Monty, n'ont pas tenu parole; ils avaient formellement déclaré que les chemins de fer nationaux seraient remis à une compagnie privée; au lieu de cela, on destitue les commissaires et on fait venir un étranger pour les administrer.

Now, Mr. Speaker, for the interpretation of those words I have not only my own authority but the authority of one more skilled in interpretation than I am. The interpretation of that word "etranger" literally means stranger, not in the sense of meaning foreigner, but someone outside our gates. The French language is full of delicacies and sentiment which I am afraid most of the Anglo-Saxon race do not appreciate.

Mr. BROWN: Give us the whole quotation, because we require to hear the whole of it to understand its significance.

Mr. LADNER: If the hon. gentleman's French is in working order to-night he will have understood it.

Mr. BROWN: Read the English version of it.

Mr. LADNER: The interpretation of it would be—

> "The Liberals," said Mr. Monty, "did not keep their word. They formally declared that the National Railways would be returned to private ownership, instead of which they dismissed the directors and had a stranger appointed to administer them."

A foreigner and an alien would be a different individual in sentiment and warmth of feeling, from an ordinary stranger. There is that line of demarcation on which the Minister of Railways in his characteristic, witty and skilful manner has seen fit to take a political advantage of and make a great fuss over, so that the newspapers would have a Lord Dundonald case all over again.

Most of the discussion in this House has been directed to the question of tariff. We have heard advocates of tariff and more tariff. We have heard advocates of duties and less duties, and, if I remember my history cor-

rectly, I think for the past 70 years public men have been advocating the pros and cons of the principles of free trade and protection without giving actual practical application of those principles to the conditions of the country as we find them. I was reading the other day in the Life of Sir Alexander Galt, a speech which he made in the House in 1850, when he was raising the duty from 7½ to 10 per cent, and in that speech he was remarking on the disaster that would fall upon the United States because they had such high duties. I think they were 25 per cent, and he had it skilfully worked out that people would leave the United States because the cost of living would go up and they would come to Canada. He used the very arguments which hon. members to my left are advancing, which arguments have been proven in the light of history to be absolutely without foundation.

I propose to say a few words with respect to the portion of the Speech from the Throne dealing with the question of banking. The Speech from the Throne says—

> The amendments made to the Bank Act in the last decennial revision of the last session provided better guarantees for the public in banking operations; their wisdom has already been abundantly apparent.

I suppose the wisdom which has already been abundantly apparent may be found in the disaster of the Home Bank, as to which some hon. members of the government have had some information. The fact of the matter is, Mr. Speaker, that although the Banking Committee sat three and a half months, and took a great amount of evidence, which, with the report covers 1,060 pages; yet the government, in the full possession of a number of facts which I shall disclose to the House, made scarcely any changes in the act, in the face of a situation which is becoming inimical to the best interests of the country and of our banking institutions. The banks constitute the heart of our economic system. Our agriculture, our industry, our business generally, all live or die under that system. To continue the parallel, money is the life blood of the economic state; and so long as the heart of the economic system pulsates normally and distributes that life blood properly throughout the whole economic being, the national health will be maintained in vigour and be able to carry all the burdens of war and taxation which bear down on the shoulders of this virile northern race. The banking question is not a very complicated one. The functions which the banks discharge are simple. They are to receive the savings of depositors subject to repayment on demand, and to act as a medium for loaning those moneys to the business of the country. Banks, like other businesses, must take their chances; the shareholders and creditors must take a certain amount of risk. For nearly one hundred years parliament has seen fit, in the public interest, to make laws respecting our banks, and our banking institutions have performed a splendid service in this country. There is no question about that; in fact, I think we have one of the best banking systems in the world. Like all good systems, however, the banking system in Canada is capable of improvement, and I hope to demonstrate this in a few moments. With respect to the Committee on Banking and Commerce and its report, the responsibility lay primarily on the government. What did they do as a matter of fact? Briefly, these are the accomplishments. They restricted the loans to bank officials. They made a change in the form of monthly returns, but with little improvement. Amendments were made to make more effective the shareholders' audit and to give greater power to the minister to investigate the banks. The trouble, however, is that the powers which the minister has in that regard are generally not exercised until after the failure has occurred or until some catastrophe has overtaken the institution.

The most important change was the amendment in connection with the famous section 88, under which the Dominion banks advance moneys to business concerns and have a first charge on the goods. The government proposed—and it was inserted in the bill—to add section 88 (a), by which notice of intention to borrow is filed with the Receiver General for the express purpose of giving notice to the public of the existence of a charge against these particular goods of the business. The real truth is that this amendment, pretending to be in the interests of the public and of our business institutions, was nothing more nor less than a sham, because it was a very simple matter for a man to borrow under section 88, file his notice, order his goods from England and then borrow again under section 86, repaying what he got under section 88, cancelling the notice under section 88 (a), and then standing before the world as though his goods were not encumbered, whereas, in fact, they would be just as much encumbered as they were before. It was not from any lack of information that the government pursued that course. An expert witness from Great Britain explained the matter, as can be seen by reference to the Banking Committee's report. Yet the government pursued that policy, which was fair neither to the public nor to the

business institutions. In fact, it was deceiving; and business men will easily carry on their affairs under that amendment believing that there are no encumbrances against particular goods when in fact there may be. What is it that the government have failed to do? They have failed to grapple properly with the question of rural credits. Years ago when the banking institutions were first started in this country their purpose was as we see in the preamble to the bill incorporating the Bank of Montreal in 1817, namely, to use the words of this preamble:

> The advancement of agriculture and commerce and the promotion of the prosperity of the province.

What a change has come over the institution of banking in one hundred years! We know to-day that banking is adapted to the commerce and industry of the country; short term loans are made covering periods of sixty, ninety and a hundred and twenty days, and money which is loaned over a longer period—investment money—is placed usually in long term bonds and mortgages for three and five year terms. But there is nothing to enable the farmer to secure a loan for nine, twelve or fifteen months. In that respect the last decennial revision of the Bank Act failed to grapple with the problem of rural credits, and nothing has been accomplished; no step has been taken to stop the absorption by the larger banks of the smaller ones, I will deal with that phase of the matter in a few moments.

Then we have the extraordinary situation in connection with the small amount of capital which is carrying an immense amount of deposits of the people. And nothing was done with regard to excessive rates of interest. I know that you cannot legislate on the question of interest rates, but steps can be taken to make impossible such incidents as were disclosed before the committee where on loans an interest of 10 and 12 per cent, was charged farmers in remote sections of Saskatchewan. Then, again, in connection with audit and inspection, it is well known that the government has not accomplished anything of advantage. They made certain amendments but they do not solve the question. It is generally understood that the government will probably provide some measure this session, but nothing satisfactory has been accomplished so far. There is also the question of penalties for false or incorrect returns. These penalties do not attach to the officials of the institution in the way they should in order to bring home the responsibility when such a catastrophe occurs as happened in the case of the Home Bank. Let me add that these are not dark and mysterious questions which cannot be investigated nor understood. The history of the development of banking and financial institutions in Canada discloses the fact that time and again problems have arisen before the Banking committee and solutions have been suggested, tried and failed. In that respect the government, I think, have failed entirely to fix the responsibility, and they have not solved the problem as they should have done.

May I now direct the attention of the House concretely to some of the very important indications of the general tendency of events to-day. After all, the course of events to-day is merely a connection between the past and the future. I have obtained certain information from the returns given by our banks under the Bank Act and published in the Canada Gazette. In 1867 there were 22 banks in Canada; in 1890 there were 40, affording a wide field for competition. In 1900 there were 36, in 1910, 28, and in 1923 the number had been reduced to 14. What will the number be in 1933? If this does not indicate the trend of events, let me call attention to the question of the capital invested in the banking business of this country and the volume of the business carried on. In 1890, we had $60,000,000 of paid-up capital; in 1900, $67,000,000, in 1910, $100,000,000 and in 1923, 123,000,000 While during the last 23 years the capital has increased 84 per cent the volume of business done, as indicated by bank clearings and liabilities to the public, has increased 1100 per cent. So that you will see what a disproportion there is in the respective increases. It is true that a large reserve of $123,000,000 has been built up, I will deal with that shortly. In 1900 the bank capital was $67,000,000 and the bank clearings were $1,500,000,000; in 1923 the capital had increased to $123,000,000, and the bank clearings to $17,500,000,000.

But, Mr. Speaker, there is a more significant feature than this. The bank premises in 1890 stood at $4,000,000, in 1900 at $6,500,000, in 1910 at $25,000,000, in 1923 at $70,000,000 plus $6,000,000 in other real estate. Leaving aside the reserves, we find this extraordinary situation, that out of a total of $123,000,000 capital invested in the banking business of this country, no less than $76,000,000 is frozen or locked up in the premises and real estate on which the business of the banks is carried on. In many cases these are handsome pillared institutions of considerable architectural beauty, presenting an appearance of solidity and substance to depositors. Let me repeat that out of a total capital invested in the banking business of

$123,000,000, no less than $76,000,000 is invested in bank premises. Consequently, leaving aside for the moment the reserves, we have a total net liquid capital of $47,000,000 to carry on the banking business of the Dominion, amounting to $2,686,000,000, which represents the liabilities of all the banks to the public. There arises the extremely important question of confidence in our banking system, which to some extent has been shaken by the Home Bank failure. May I remind hon. members in connection with these figures that in 1890, 1900 and 1910 we had more liquid capital in the banking business than we had in 1923, and I submit that the situation is one requiring the attention of the government.

In order the better to understand my contention, may I ask the House to visualize a base representing $47,000,000 in net capital, and on top of that an inverted pyramid representing $2,686,000,000 liability to the public. The House will thereupon appreciate the delicacy of the situation in the event of business disturbances throughout the world, and it will understand the need for a substantial increase in this capital, or some other arrangement to meet any difficulty which might arise through international complications.

It is not because the business has not been profitable that we find this reduction in the number of banks, because the returns furnished by the banks show that, taking the net earnings or dividends of all the banks, good and bad—and some of them are bad—the dividends paid were: in 1890, 6½ per cent; in 1900, 7 per cent; in 1910, 8 per cent; in 1923, 11 per cent, while the reserve has increased from $34,000,000 in 1910 to $123,000,000 in 1923. I suggest that these figures are very significant. But perhaps the most astounding discovery which I made while examining these returns was in connection with the deposits which the public have placed in the banks, and which the banks loan to the institutions of the country to carry on their business. Out of $2,050,000,000 and more of deposits, no less than 70 per cent—and these calculations are practically accurate within ½ per cent—are to be found in the four largest banking institutions of the country, while the ten smaller institutions endeavour to carry on their business with 30 per cent. The course of events during the past thirty years shows a most interesting development in relation to these deposits and their distribution among our banks. In 1890 thirty per cent of these deposits were in the four largest banks, and seventy per cent in the remaining institutions; in 1900, the percentages were 40 per cent and 50 per cent respectively; in 1910, 45 per cent and 55 per cent respectively; but in 1923, 70 per cent are found in the four largest institutions and only 30 per cent in the others.

Now, in face of these facts, whether in regard to capital, deposits, number of banks, or the creation of reserves, my submission is that unless something is done by co-operation between our banking institutions and the federal government—and the responsibility is primarily on the government—we must ask ourselves—What will be the situation in 1934? For my part, I do not think it is in the national interest or the interest of our banks that the banking business of the country should be centralized in four or five large institutions. When the decennial revision of the Bank Act is taking place we find, and quite properly so, the most experienced and able men in the banking world appearing before the committee to make their submissions. They are the master minds in the banking world. What opportunity has the average member of parliament or the average man in public life of offsetting their advice so far as the public interest is concerned? Though looking after the public interest the member is very seriously handicapped. The point I wish to put frankly before the House is this; the course of events is tending towards a strong centralization of our banking business, and the government, with all its protestations against mergers, combines and trusts, has failed to take any action whatsoever to correct this tendency during last session after an exhaustive inquiry into our banking system.

Mr. VIEN: Would my hon. friend submit his proposals to prevent the tendency he complains of?

Mr. LADNER: That is on the next sheet of my notes, and I shall be pleased to tell him exactly what I would do. I would suggest that as the banking business is a monopoly under our Bank Act, and properly so, placed entirely in the hands of our chartered banks, with certain great privileges, such as note issue up to the extent of a bank's unimpaired capital, and likewise with certain obligations —I would suggest that parliament should assume its responsibility to the public and at this juncture stop the course of events by adopting the principles governing the Federal Reserve Bank of the United States and the Bank of England which are applicable to Canada—incorporate them in the Bank Act,

and give this country an institution which will be representative of both the banks and the people, and so control the course of events which is now only too apparent. We need such an institution. Some of the older members in this House may smile or cast doubt upon my proposal, but if they will study the history of the development of our banking system, and will face the facts squarely and assume their responsibilities to the public, they cannot help but realize the necessity of taking some steps to carry out a proposal on the lines I have suggested. If the government and parliament fail at this juncture to take the necessary action, it is only a question of time when a similar proposal will be put into effect.

These are some of the reasons why we require a reserve bank. We need a check on the rediscount facilities provided by the Bank Act; we should divorce the banking business from the government; we should put it in the hands of the bankers. These rediscount facilities are not complete at present and do not operate to the best advantage of the country. There is hesitancy on the part of the banks to take advantage of them. And we all know the necessity for such facilities.

Mr. MACLEAN (York): Is not the rediscount system obtaining to-day in the United States eminently satisfactory? It is in the hands of the government.

Mr. LADNER: I do not think it is.

Mr. MACLEAN (York): The bankers of the United States and the public say it is.

Mr. LADNER: I will tell my hon. friend why I think it is not satisfactory. The rediscount facilities of the United States make for inflation, because the appointment to the Federal Reserve Board is largely a political appointment, it is in the hands of the President. During the war this is what the Federal Reserve Board did. They held their interest rate low, thus encouraging business and encouraging expansion during the time they were selling their Liberty bonds, and when they had flooded the market with these bonds, drawing a slightly higher rate of interest, they raised the federal reserve rate, with the result that Liberty bonds fell from par to 78. That was simply a case of political power being used to disrupt the course of events in trade and commerce. I would prefer to take the rediscount idea from the Bank of England where rediscount is penalized, where you do not rediscount unless you need to, and if you need to you are willing to pay for it. That is what should be done in this country. We must have rediscount facilities; otherwise how can the business of the country be carried on? We have $47,000,000 of liquid capital, less than what we had in 1900, with a liability of two billions to the public. Let hon. gentlemen visualize the illustration I gave a moment ago of the base and inverse pyramid; can they not see what difficulties would arise from an international disturbance, and how delicately poised the balance is in that regard? Take the case of the smaller bank which is not able to carry a manufacturer of lumber, let us say. The conditions are something like this: The manufacturer in question has a large supply of manufactured lumber on hand. Some disturbance in business affairs takes place and a depression occurs. The bank goes to this manufacturer and says: "You have an overdraft of $50,000; we require one-half of that in thirty days." Now, the manufacturer may not be able to pay it, but under the present system he is forced to pay it and he has to sacrifice his goods in order to do so. His competitor must do the same thing, and then there is a lowering of prices, there is a rush to sell goods, there is depression, there is consternation in the business world and misery and failures right and left. That is what happened in the United States in 1907.

Mr. VIEN: Will my hon. friend allow me a further question? Does he think that the federal board system would be any better in Canada than it has been in the United States, where one hundred banks have failed of late?

Mr. LADNER: The hon. gentleman has apparently altogether missed my point. I am not advocating the adoption in Canada of the principle of the federal reserve bank exactly as it is applied in the United States. I have said twice that that system should be improved upon; that it is the Bank of England system we should use here, where rediscount is penalized. But we should have rediscount facilities. To continue my illustration: the bank cannot carry this manufacturer of lumber, because the bank, like other institutions, must pay its debts—and the banks have a lot of debts; they owe more money than any other institution I know of. Now, under the rediscount system, if the manufacturer cannot pay up, the bank takes his paper to the federal reserve bank, hands it over and gets money in its place, and the federal reserve bank carries the manufacturer over the awkward period. In every commercial country of the world to-day except Canada you have rediscount facilities, and in Canada you have a pretence at it in the Finance Act. We have just reached the stage of a halfway measure,

and the course of events is forcing us on, impelled by the power of an economic force which hon. members have not, I believe, perceived, which the public have not perceived and never do perceive until disaster overtakes them—and then public men are driven on by the force of public opinion instead of acting as leaders of public opinion.

Then, we need something in this country in connection with our smaller banks. How many hon. members here honestly believe that in the face of the official data which I have given to the House to-day our smaller banking institutions, which have only 30 per cent of the total deposits of this country on the basis of which to carry on their business while the larger institutions have 70 per cent—how many hon. gentlemen think that these institutions can go on under these circumstances? They cannot reduce their overhead, as one banker told me the other day. With the failure of the Home Bank, the agitation that has prevailed among the public and the consideration of the matter by parliament, there has been a weakening of that most delicate and powerful instrument of finance—confidence, and the result is that very quietly—we might as well face it; we might as well talk about it and assume our responsibility in that connection—very quietly the deposits are being taken from the smaller institutions and placed in the larger ones. Does anyone think the larger institutions are objecting to that? Not at all. And if they are not being placed in larger institutions they are being placed, as I know for a fact, in the United States, or, if not there, they are being put into Victory Bonds or other securities, resulting in an investment of money on long terms which should be used in the commerce and business of the country. So Mr. Speaker, I say that we must do something to maintain in the competitive field the few small banks which now exist, because there is no doubt that if we do not take some action they will go out and we will have a financial oligarchy in this country which will dictate not only to business and finance but to governments, federal and provincial. Experience has shown time and again, as would be proved if we had an opportunity of going into some of these facts, the wisdom of parliament's assuming its responsibility early before disaster occurs.

I have already referred to the question of interest rates. The federal reserve system is the most effective way of correcting unfairness in connection with interest rates in different districts. The federal reserve bank does not deal with the public, as a rule, but only with member banks. There is one occasion, however, when they do deal with the public. If in some districts the banks get together and endeavour to force a high interest rate, as happened in Canada, according to the evidence which was revealed before the Banking committee, where the rate was never less than 10 per cent and was often 12—if a situation of that kind arises, under the federal reserve system a board of trade or some other public body or individual may protest against it, and the federal reserve bank then operates its only power to deal with the public, called its open market operations. They go into that district and they offer the money at 7 per cent, and by the law of supply and demand the banking institutions which had refused to give a fair deal are forced to reduce their rate to a fair level. We have no such institution in Canada; we have no protection of that kind, and having public responsibility I think it is our duty to say something about these things and to endeavour to bring about some improvement in regard to them.

Then, a federal reserve bank would be the proper institution to handle that most delicate and most difficult question of inspection and audit. We have had much discussion in the House on this subject, and still more before the Banking committee. It is something that cannot be handled by men who are not experts in the business. I believe that in the United States a great deal of good has been accomplished in that regard. Then there is the question of note issue. Our note issue at present is carried on under the Finance department; that should be placed under the federal reserve bank—our gold reserve and the control of our notes. Moreover, the federal reserve institution is a splendid thing in connection with foreign trade, as has been eminently established in the United States. I see no reason also why the government should not place all their business in one banking institution. If you had a federal reserve bank acting on behalf of the state as well as the other banks, an institution in which all banks were members, the government could carry on its financial business with that federal reserve bank. Then there is the very important question of disciplinary authority. There must be many occasions in connection with the relation of our banking institutions to the public where certain discipline would be helpful to the banks as well as to the people. A federal reserve bank could accomplish that.

Before I close I wish to give one or two reasons why parliament should act in this matter now and not ten years hence at the

next decennial revision of the Bank Act, when we may have four or five banks left. A depressed situation arises and becomes acute owing to war or other extraordinary conditions. In all history wars have been the cause of disaster in finance and in business. Our debt in Canada increased from $330,000,000 before the war to two and a half billions after the war. The Great War was financed not as other wars, by the accumulated savings of the people, but upon the principle of inflation, and any of you who have gone into the question at all will know that just as the banks build up their assets and liabilities, debits and credits, so the government borrows from the public and from the banks. After absorbing all the accumulated savings in Great Britain and in Canada and after drawing upon the savings of the United States they were forced to resort to inflation in order to carry on the war, and the results has been that the purchasing power of the dollar has gone down through deflation, to the extent that it will never, in my opinion, attain the same purchasing power that it had reached before the war. Let me impress your mind with the seriousness of the situation by informing those who perhaps have not the information, of the colossal expenditure which this war has meant. During the six years from March 31, 1914, to March 31, 1920, more money was spent by the British Empire than it spent during the 226 years prior to that date. That is official data from authorities that are accepted as such. In other words, from 1914 to 1920 there has been more money spent than there was back to 1688, when the national debt of Great Britain was commenced. What does that mean? It simply means taxation. It means obligation on the backs of the people. It means an encumbrance on all financial operations, and the obligation of the state to recognize the necessity in the course of events to co-operate with the banking institutions, and in the face of obligations of that kind face the future, as we will be bound to do a few years hence if we do not do it at the present time. Let me remind you that the Napoleonic wars from 1793 to 1817, some twenty-four years, cost Great Britain 1,200 million pounds while the late war cost the Empire 11,268 million pounds during the six years from 1914 to 1920, and you will remember that the Napoleonic wars waged from one end of Europe to the other, and bear in mind the shortness of the late war. These are wide-world factors which have created the present financial situation.

Mr. Speaker, had I not occupied so much of the time of the House, I would like to have had the opportunity of saying a few words—which I will not do—in connection with the development of banking institutions in Canada. But the Prime Minister, whom I see in the chamber, may be interested in learning of an incident which occured away back in 1837 in connection with one of his ancestors, a distinguished Upper Canada reformer, Mr. William Lyon Mackenzie. Mr. Mackenzie instigated a run on the Bank of Upper Canada, and historians tell us that the bank paid the notes in silver and kept friends at the counter all day, and at night these friends brought back the specie in wheel-barrows. The analogy I wish to make is this: We have in this present generation a run of a different kind by his descendant. It is a run on the revenues of the country coming from agricultural implements and instruments of production, and while this descendant carries on a run of that kind, his cabinet friends carry on a run on other business in the country by increasing taxation and bringing back the money to the coffers of the government in that way. It is true these are in different ages but they have a political effect as they may have had at that time.

So far as the tariff is concerned, British Columbia wants a reasonable protection. The outlook of British Columbia is one of commercial, industrial, agricultural and mercantile development. We have diversified interests. Our agriculture amounted last year to $55,000,000; fisheries, $20,000,000; minerals, $44,000,000; forest production, $92,000,000. We have many things which we can send to the prairies, and they have their wheat which they can send to us, but I think that after all the West, British Columbia, and the prairies, together have one thing in common, and that is the claim for equalization of freight rates and the elimination of the discriminatory rates. I shall refer to this matter only in a general way because it has been so well threshed out that it is unnecessary to go into details. When one listens to this debate on the tariff and hears hon. members rising to lofty heights of eloquence on the subject of free trade or protection, one wonders exactly what the consequences would be if the tariff on agricultural implements were altogether eliminated. I suggest to hon. gentlemen to my left that more would be gained in a single month by equalization of freight rates than they would gain in ten years by the elimination of the tariff on agricultural implements. Mr. Speaker, the whole question is a farce so far as the tariff

is concerned. It is a political farce, and anyone who has observed the attitude of our Progressive friends this year, as compared with last year or the year before, will realize the apparent intent, and in that connection I would ask the leader of the Progressive party, the hon. member for Brandon (Mr. Forke), to bear with me while I take him on the course of events which may lie before him in the near future when the budget comes down. The leader of the Progressive party claims with great enthusiasm that the promise in the Speech from the Throne is a renewal of the Liberal platform of 1919. I wonder what he will say when the actualities are divulged in the budget. I suggest to him that he will be in the position of the Scotchman who was being married, and if I listen rightly I would judge that the hon. member for Brandon is connected with the Scotch himself. In the middle of the ceremony this Scotchman stopped; he could not go any further. The best man rushed up to him and said, "Jock, what ails ye. Have ye lost the ring?" "No," said Jock, "but I have lost my enthusiasm." I think the member for Brandon will find himself in that position when the budget comes down.

In closing, I wish to make an appeal to the members of this House on the question of making permanent the bonus which now forms a portion of the pension given to the soldiers. I am not aware that any comment has been made on this subject, but I do know from representations, from resolutions that have been passed and public meetings that have been held from one end of Canada to the other, as well as from newspaper comment, that the soldier body of this country is greatly exercised over this matter. There seems to be an idea that this bonus, which under the Pension Act of 1920, automatically expires on the 1st of September next will not be renewed by the government. If the government has any intention of not renewing that bonus, I think it is only fair and proper to the soldiers who are in receipt of this pension to say so.

Mr. BELAND: My hon. friend suggests that the government should make known to the country whether it is their intention to extend the payment of the bonus to the soldiers. Six weeks ago in Toronto, before the Amputation Association, I was asked that question and I answered it, and my statement was published in the newspapers. It was to the effect that the government intended to introduce legislation to extend the bonus to the soldiers.

[Mr. Ladner.]

Mr. LADNER: May I ask for how long?

Mr. BELAND: When the legislation is introduced, my hon. friend will know.

Mr. LADNER: May I ask if the principle of extending the bonus is to be carried out, or is the bonus to be made a portion of the pension?

Mr. BELAND: I have made my statement.

Mr. LADNER: And that leaves the country in the doubt in which it now is, and it is because of that we find the most deserving group of men perhaps in Canada coming here to Ottawa in a great convention on the 5th and 6th of next May. The Amputations Club of Canada propose to come here and hold a convention. Along with other organizations they have submitted a petition to His Excellency the Governor General and "to the honourable members the House of Commons in Parliament assembled." The relief sought is this:

> We therefore humbly submit that the payment of the bonus should be abolished, and the amount of the pensions commensurately increased in each case by the sum now paid as a bonus; in other words, the pension should consist of such a sum as is now paid as a pension with the addition of the present bonus.

This petition is signed by The Amputations Association; the Imperial Veterans in Canada; the Great War Veterans Association; The War Widows and Widowed Mothers Association. I think when you consider what the pensions amount to, no member of this House would have the ingratitude to endeavour to either lessen the pension or restrict it to a bonus. Let me remind the House that a total disability pension is $50 The bonus amounts to $25. If a man has an arm off he is paid at the rate of 60 to 80 per cent disability. If he has a leg off he is paid at the rate of 40 to 80 per cent disability. If he has two legs off below the knee he is paid at the rate of 80 per cent disability. A widow's pension is $40 and the bonus amounts to $20. The first child receives $15, the second $12, and the third $10. We must bear in mind the depreciation in the purchasing power of the dollar. a depreciation which—as in the case of the Napoleonic wars—increased by 70 per cent and has never returned to the rate it was before the war. The purchasing power of the dollar in this country will never, in the light of history and the knowledge of present day events, return to the rate at which it was before. With that one simple fact before us, and with a knowledge that the total disability of a man who has two legs and two arms off

only entitles him to receive $75 a month, may I ask in all seriousness is there an hon. member in this House whose memory is so short, whose gratitude is so small, whose conscience is so callous that he would hesitate one moment in granting the prayer of the petition which has been presented to this House.

I thank hon. members for their courtesy in listening to me with such patience, and I say this in conclusion: When this convention of the Amputations Club shall take place in Ottawa what a gracious act it would be on the part of the parliament of Canada if it were to receive these heroes as the Romans were wont to receive their heroes in the days gone by when they presented them with the laurel wreath of victory in recognition of their distinguished service in defence of the country. Instead of a laurel wreath we might give to these gallant men the solemn obligation of the parliament of Canada that so far as the pensions are concerned they need have no worry, and that the gratitude of the people of this country would be expressed through the parliament of Canada by making the present bonus a permanent portion of the pension.

Mr. W. A. BLACK (Halifax): Mr. Speaker, to the complimentary words of preceding speakers, I ask the privilege of adding my felicitations to those gentlemen who have so gracefully moved and seconded the Address to His Excellency in reply to the Speech from the Throne. And, with a mandate fresh from the people, I wish to acknowledge the pleasure afforded the people of Nova Scotia by the visit of their Excellencies to that historic province last summer. Whether as Commander of the Canadian Army Corps in France and Flanders, or as the representative in Canada of His Gracious Majesty, the people I have the honour to represent are proud that His Excellency is in spirit and in deed all that those who occupy high places in a democracy should aim to be. Such I can assure you is the appreciation of His Excellency in that historic province by the sea which I am proud to own as the province of my nativity and life long home, than which none of the provinces of this great Dominion more proudly acknowledges and values its British allegiance and traditions.

I think it right and proper that His Excellency be congratulated because of the fact that in his early career, serving as a subaltern in one of England's celebrated regiments, the 10th Royal Hussars—which fought at El Teb—he now has been selected as its new Colonel.

I desire to express my regret at the absence of my personal friend, the Minister of Finance, (Mr. Fielding), because of severe illness; I hope that he may soon be restored to his usual good health. We, as boys, travelled the streets of Halifax together, each pursuing his respective calling, and whilst I have followed a retiring life, my lifelong friend has occupied a prominent position in the government and history of our Dominion.

To the former Minister of Justice (Sir Lomer Gouin) I extend my sympathy, and trust that the balmy winds and the warmth of the Sunny South may be of lasting benefit to him.

I desire to extend congratulations to the hon. member (Mr. Lapointe) who has been selected as Minister of Justice, and to the member for Richelieu (Mr. Cardin) who has taken the portfolio of Minister of Marine and Fisheries.

If, in exposing to this House the hardships and grievances under which my province is labouring, and which the trying post-war conditions have served not to create but only to clarify, we protest against our established order of things, please rest assured that it is not because of any slackening of fealty to the Crown. But we do indeed hold the view that unless all parts of the Dominion shall enjoy equal opportunity for prosperity, no prosperous Dominion can exist. Nova Scotia, having surrendered much and suffered much through her adherence to confederation, asserts the right to equal participation in the vast opportunities opened up by confederation in this great Dominion.

It is true that, for many years past, I have given allegiance to the Conservative party. I believed in the principles of that party, I believed in confederation, I believed in the wisdom of uniting the British communities of North America in one Dominion. I believed in the National Policy, and I believed that never was national decision more wisely made than when at the outbreak of the Great War, Canada's government of the day placed itself and the country unreservedly on the side of those who sought to repel German aggression. I have believed that in the great national issues confronting it, the Conservative party adopted the right national course and I have faith that in adjusting the balance of differences and setting the Dominion in the way of a new national prosperity, we are more likely to succeed under the direction of Conservative policy than under that of the present government. You may ask, Mr. Speaker, why I hold this view. My answer, in a word, is that the government has not kept faith.

My life has been spent in a commercial atmosphere trading in a community where contracts and commitments once made were adhered to, no matter at what cost. Now, I ask has the government adhered to its contracts and commitments? I ask were the commitments made in solemn convention in Ottawa in 1919 adhered to? Indeed, it is notorious that they were not. They have been more honored in the breach than in the observance, and the breach has been repeatedly and cynically condoned by the Prime Minister himself and by the hon. Minister of Finance who, laughing in his sleeve at what he thinks is the gullibility of the electorate, advances his unworthy view that platforms are only useful to attain power. Now, Mr. Speaker, that is a too low and debasing plane on which to conduct public business; it is unacceptable and repugnant to our people; it will not wash.

Why, when the government's candidates presented themselves for election in 1921, they pledged themselves to bring us to a golden era, they were willing to promise anything that would secure political support. The hon Minister of National Defence (Mr. Macdonald) promised, if sent to Ottawa, to move a resolution in the House for an increase in the duty on coal to a level that would provide "real" protection instead of what then existed and what he called "fake protection" Have any of the members of this House encountered the "golden era"; have any of the members seen the resolution of the hon. Minister calling for "real" instead of "fake protection" on coal? And during the campaign in North Cape Breton in July last, the press reported the same minister appealing to the electors of that riding at North Sydney on July 28 as follows:—

> A revision of freight rates on the Canadian National railways has been prepared and is now awaiting the return of Sir Henry Thornton from the West to put them into effect. It provides for a general reduction in rates affecting local traffic between Ontario and the Maritime provinces.

Polling day passed, and again the electors trusted the government. Have any of the members of this House seen the revision of freight rates? Seven months have passed and no one in Nova Scotia is conscious of any reduction. They continue to labour under rates which Hon. E. H. Armstrong, the Liberal premier of Nova Scotia describes as "excessive freight rates choking our industrial life."

Leaders of the Liberal party in Nova Scotia were formerly much addicted to the use of a slogan "Trust the people." It is founded on an axiom which must properly prevail in all democracies, but it carries with it a natural corollary that the people should trust the elected representatives. The representatives must needs be worthy of trust. Can any one wonder that, in view of the broken promises to which I have alluded, the high-spirited electors of the city and county of Halifax should have turned from their false gods and sent to Ottawa a member to support the opposition. So it was in Halifax and so it was in Kent. And now I find myself honoured with a seat in this House, not as, primarily, a Conservative partisan, but as a protest against the perfidy of politicians and with a mandate to strike hard for the rights of my beloved province. To that mandate I shall be true, no matter if it should lead to a breach in the present happy relations which have always existed between my leader and myself.

I am going to ask for time to set out the embarrassing position with which the province of Nova Scotia finds herself confronted to-day. Hansard p. 4220, June 19th, 1923, reports the hon. Minister of Finance as follows:

> Many institutions which were prosperous in the Maritime provinces before confederation are complaining to-day. I do not want to discuss the question of confederation. I simply state a fact. I remember when there were twenty wholesale houses in Halifax all doing a prosperous business; to-day there is hardly one of them left. They have all been driven out by Montreal.

In order to get a proper setting for the picture of to-day one must recall those prosperous and self-contained conditions hinted at by the minister in those days. Ten banks were then operated and controlled in the province. To-day not one so remains. Fortunes were then being made by many different importers, exporters and shipping men, their varied activities affording generous employment to all who wished to work. To-day conditions are hard and, according to a reliable local authority, 30,000 of our best people are going annually to the States—driven to find a solution of their embarrassment in emigration to a foreign land and under an alien flag. Mr. Speaker, these things ought not so to be. These were not the prospects that were held out to Nova Scotians at the time that Ontario and Quebec statesmen were proposing that the Maritime provinces should enter a union to safeguard the defence position of the country and create a nation. When these statesmen toured the lower provinces after the Charlottetown conference, they naturally dilated on the benefits that would follow the adoption of a plan of confederation. The politicians who attended the conferences were in favour of the adoption

of their scheme, of course, but it was received coldly by the public of the province. Indeed, it has never at any time been approved by the voters. Perhaps Cartier put the invitation to enter confederation as tersely as any one of the Fathers of Confederation. Speaking at Halifax on 12th September, 1866 he said:

> I have heard since I have been in Halifax the objection thrown out that you will be absorbed. It will be very easy for me to dispel such fears. I answer them by a question: Have you any objection to being absorbed by commerce? Halifax, through the Intercolonial Railway, will be the recipient of trade which now benefits Portland, Boston and New York. If you are unwilling to do all in your power to bring to a satisfactory consummation this great question, you will force us to send all this trade, which you ought to have, through American channels. It is as evident as the sun shines at noon that when the I.C.R. is built—and it must necessarily be built if confederation takes place—the consequence will be that between Halifax and Liverpool there will be steamers almost daily leaving and arriving at the former. In fact, it will be a ferry between Halifax and Liverpool.

At St. John on the 14th September, he said:

> Canada has population and territory to make a great nation in course of time. But she wants what the Maritime provinces possess, an outlet to the sea.

He then explained how business would develop.

> —when the goods of the Maritime provinces are exchanged for the goods of Canada—

And that

> —the products of British Columbia and the vast prairies would also pour through Halifax.

Mr. FINN: May I ask my hon. colleague what was the policy prior to 1896? Were the subsidies given by the Tory government to the line to Portland or Halifax?

Mr. BLACK (Halifax): As it is evident that the hon. gentleman has not heard much of the debate, I will proceed. The irony of the situation to-day is that the Canadian government, through its ownership of the Grand Trunk, with its chief railway terminus at Portland, is the chief instrument through which United States ports continue to be enriched by trade from the provinces situated west of New Brunswick. The present government has gained some friends by providing lower duties under the preferential tariff when goods enter through a Canadian port, although like much of their legislation the step is faltering and incomplete. And the idea of Canada now "taking the products of Nova Scotia in exchange for Canadian goods" is a joke. Geography and the fiscal system adopted by the Dominion are preventing that province from reaping the benefits of its maritime position, and are forcing its people to become hewers of wood and drawers of water to the central provinces. "Canada," as it was called before Confederation, finds a good market in Nova Scotia for its products manufactured and sold under a 10 per cent to 35 per cent tariff at correspondingly high prices, and takes payment, not in trade, as Cartier foretold, but in cash, which Nova Scotians raise by selling their fish, potatoes, fruit, lumber and other natural products in the highly competitive markets of the world. Located on the circumference of a circle, Nova Scotia cannot become a factor in the Canadian industrial system because she cannot overcome the costly carrying charges to reach the centre and the other side of the circle in competition with the mass producers situated at the centre of the circle in Hamilton, Kitchener, Toronto, Montreal, and other cities. And her banking control, with its collateral benefits, has gone to the latter mentioned cities, absorbed, not by commerce, as Cartier prophesied, but as the result of legislative enactments imposed quite naturally by those sections who command a majority in the councils of the nation, who also naturally make the fiscal policy suited, not to the needs of the smaller provinces, but to their own. Our smaller factories of former days, with a few notable exceptions, have been driven out of business by the mass producers centrally located, and new factories with us are unknown. It is an interesting fact, and it tells its own story, that the 700 Canadian manufactories and branches of United States concerns erected in Canada in the last 25 years have passed up the Maritime provinces as a location for their factories. Their benefits accrue to Canada, but not to the East.

In 1867, those who opposed confederation did so because of the disadvantages and losses that they feared would follow. To-day the successors of the "antis" need invoke no one's imagination; the worst fears have been realized. The advantages then enjoyed from control of fiscal policy were surrendered; the advantages that were to take their place have not materialized. Along with the other supporters of confederation, we seek a remedy that will afford the residents of this province the same opportunity for profitable activities and development of its resources as are enjoyed by any sister province. Surely a way can be found. To admit failure is to concede that that province has no place in the Dominion, and this concession we do not wish to make. The present severe business depression in the Maritime provinces—the total building permits of their 1,000,000 people only amounted in 1922 to 2¾ per cent of the total of Canadian building permits—has caused a

questioning of underlying conditions, and a feeling of exasperation that has not existed there in a lifetime. You find it in conversation with nine out of ten of the people you talk to. I would that you, Mr. Speaker, and the House and the country generally, should appreciate the difficulties which have weighed on us so heavily, but which have been borne in silence compared with the vocal prairies, who are making better material progress, and who, never having enjoyed large realized wealth, as our people formerly did, have surrendered nothing, and have no good old days to look back to.

Some Liberal partisans in considering the dilemma which confronts us assert that it could have been avoided had we accepted the reciprocity pact of 1911. There is something in their contention. Putting aside for the moment the instability of that arrangement, I willingly admit that between conditions in Nova Scotia to-day and what they would have been under reciprocity, we are worse off. While reciprocity lasted we could have marketed our natural products to better advantage than we can now market them in the competitive markets of the world. But, Mr. Speaker, I wish to draw your attention to the fact that when my province refused to approve of reciprocity, it did so on the highest national grounds. We were told at that time that it was essential to maintain an east-and-west system of transportation to which the treasury of the country and our national destiny had been overwhelmingly committed. That was good enough for us. Our imaginations carried us forward to the day when our east and west transport systems would include an All Red route from Vancouver to Liverpool which would carry the fertilizing stream of commerce and travel on Canadian soil alone and under the folds of the Union Jack by land and sea, and the immediate monetary advantages of reciprocity we passed up in favour of the grand idea of nation building.

But we never contemplated the idea of carrying Canadian trade part way east and west by rail and the surrendering it to the enrichment of Canadian Atlantic winter ports situated in a foreign land. In this our province has again been betrayed. We went on in good faith and while we have been let down, allow me to express the conviction that it is only for a season. We demand and shall insist on the remedy. No government since that day has addressed itself to the task. While the war was on we in Nova Scotia considered it our duty to devote our attention to its prosecution to the exclusion of all interprovincial differences. That peril is, fortunately, past, and the duty before all bluenoses now lies clear. No government can ignore it except to forfeit all support. In this matter I feel confident that I speak with authority.

The question of taxation is a very serious one, but this government it would appear by the Speech from the Throne, after two years of slumber, seems to have awakened to a realization of conditions in our Dominion, especially in relation to taxation under which our people are groaning. Possibly the thunder from Kent and Halifax is responsible for this awakening. Relief is indicated. Let us "wait and see."

In my province, we are not at all interested in discussing who is or who is not to blame for this or that thing in the past. Hair splitting and casuistry do not interest us. We are confronted by vital living issues; we want a chance to live and we shall have it. We intend to place forever behind us the day when an ambitious young man or woman, in order to attain success, must desert his or her place of birth and go to the States—or migrate even to Montreal or Toronto. We feel that no political party can afford to write off even the decimated fourteen seats that will be our lot after redistribution. And we intend in future in our province to speak with a united voice. I have the honour of being here to-day as the first public spokesman for that voice.

The city of Portland, Maine, the chief Atlantic winter terminus of the publicly-owned Canadian National Railways, recently formed a 100,000 Club. The "Outlet" radio station at Providence, Rhode Island, is fond of broadcasting the importance of its city as an outlet for export trade. Less than a year ago, the state legislature of Rhode Island was assured by our railway people that if the charter of the Southern New England Railway was renewed construction would be completed by the Central Vermont and Canadian National Railways, whose subsidiary it is, and another Canadian Atlantic winter port in a foreign land be thus established. The people of Nova Scotia, Mr. Speaker, are opposed to the policy of upbuilding Canadian National ports under an alien flag while their own harbour fronts are idle, the wharves deserted and the longshoremen unemployed. No longer are they content to remove from Halifax and reside in Portland and Providence in order to benefit from Canadian production, Canadian industry and the expenditure of the money of the Canadian taxpayer. For such, in truth, are the deficits of the Canadian National Railways. For over two years, these matters have gone on without a protest being uttered

in this chamber by our representatives—the former solid sixteen—elected by the votes of the people on the promise of the candidates that they would usher in a golden era, reduce the high cost of living and generally ease the conditions under which the people were labouring.

Hon. E. H. Armstrong the Liberal Premier of Nova Scotia, stated in the Montreal Gazette on April 24th of last year that:

> The people of the Maritime provinces feel keenly that they have not been fairly treated by the rest of the Dominion. They have been made to feel that they are and should remain isolated, more or less forgotten, tolerated at the best, and not provided for like the more fortunate provinces to the west of us.

Sir, I have arrived at the time of life when I could fairly claim a period of rest, quietness and ease. It was only at the earnest solicitation of patriotic Nova Scotians that I consented to forsake the easier way and offer myself for election in opposition to this government which has so signally failed to solve any of the difficulties that their candidates promised to solve. Living, as I did, in pre-confederation days, throughout the early days of the Dominion, and up to the present, confident of the great destiny of our country, provided its fortunes are directetd by men of wide vision, I come before you to-day and plead for consideration of the conditions I have outlined. I implore the government to rectify the grievances. I say to you, Mr. Speaker, and the country, that early action is imperative. I warn you that failure will bring us all to regret, if not to disaster.

Now, Mr. Speaker, before resuming my seat, let me refer to one or two matters. The right honourable gentleman, the Prime Minister of this Dominion, on March 3 last, told this House that the by-election in Halifax was won on local issues—that the hon. member for St. John City (Mr. Baxter) was in the constituency making appeals of a sectional character, and he drops the subject with these words,—"This by-election had no significance whatever." I will venture this statement, Mr. Speaker, that never in the history of this country have members of government sat in this House with greater anxiety, uneasiness and disappointment than do the gentlemen occupying the chairs on your right at the present time, because of the result of the election in Halifax—an election "with no significance whatever"—says the Prime Minister. Their position has been made still more uncomfortable by the electors of Kent who sent to this House my good, capable friend, roommate and desk mate (Mr. Doucet). Give us, in the Maritime provinces, Mr. Prime Minister another opportunity, and we will still further add to the discomfort of our friends opposite.

If this by-election had no political significance why was it necessary to arrange by cable with the Prime Minister, then in England, to address a political gathering in Halifax just before polling day? In order that the right hon. gentleman might be in time for this meeting, the steamer on which he was a passenger was diverted from her course and came to Halifax. The Prime Minister was not the only speaker at this gathering, but was supported by half a dozen more or less of his ministers. His party was further fortified during the campaign by many hon. gentlemen, members of the once solid sixteen, representing in this House surrounding constituencies. "No significance whatever" in the Halifax by-election? I leave it with the House to decide whether or not it had any significance. The electors of the city and county of Halifax heard and read what the battalion of speakers had to say, heard their promises and pledges, thought out in their own minds the vital questions affecting our country, and decided for themselves. The result is well known to this House, and by none is it more keenly realized than by the hon. gentlemen opposite.

In passing I might mention that one reason given, but not the real reason, why the Prime Minister should divert his steamer and land at Halifax, was that he desired to reach Ottawa at the earliest possible moment. This is a distinct compliment to the port of Halifax, and I thank the hon. Prime Minister for it, as it emphasizes the fact that starting from Great Britain or any eastern point the quickest and most direct route to the West is via the port of Halifax.

The hon. member for St. John City (Mr. Baxter) has been referred to by the right hon. leader of the government. I want just here to say that this hon. gentleman was in my constituency during the campaign, that he did excellent work discussing the problems of our country, and that his forceful way of presenting the truth to the electors added greatly to our success.

Our campaign was carried on on the basis of a fair, broadminded discussion of matters concerning our great Dominion. Our friends opposite seem to have dwelt upon promises and to have pinned their faith to these, but there were already too many broken and unfulfilled promises, and this the electors full well realized and acted accordingly.

Much has been said on the question of an elevator for Halifax. I do not propose, Mr. Speaker, taking up the time of the House at the present moment discussing this important

matter. Suffice it to read the words of the Minister of National Defence, who represents the county of Pictou (Mr. Macdonald) in relation thereto. Speaking at a large gathering a few days prior to election day, he said:

> With the prospects of an enormous grain crop, the government, carrying out the policy of Canadian trade through Canadian ports, had decided upon the erection of a grain elevator at Halifax, modern and complete. Tenders had been called for and eight had been received. If Hon. W. S. Fielding, the acting Prime Minister, had not taken ill upon his return to Ottawa the other day from Halifax he would have called a council meeting and the contract would have been awarded by now. But just as soon as the Prime Minister returned to the capital—

He was then in Halifax, thirty hours' journey from Ottawa.

> —the contract would be awarded by the Cabinet and the work of construction would start at Halifax immediately. (Cheers).

Of course there would be cheers.

Mr. FINN: I would like to correct my hon. friend.

Some hon. MEMBERS: Order.

Mr. FINN: I was at the meeting—

Some hon. MEMBERS: Order.

Mr. FINN:—and the hon. Minister of Finance (Mr. Fielding) said nothing of the sort.

Mr. DEPUTY SPEAKER: Order.

Mr. BLACK (Halifax): Well, hon gentlemen opposite are so fond of commissions that I suggest they might have one appointed to examine the reporter and ascertain whether or not that language was used. Anyway, this was another of that hon. gentleman's promises which is still unfulfilled.

No elevator has yet been arranged for in Halifax. If this government was sincere, if it was in earnest about even considering maritime traffic—that is, the sending of Canadian goods through Canadian ports—why should it not make some use of the elevator now standing there? A beginning could easily be made with the existing facilities. Why not employ Canadian Merchant Marine steamers in this business instead of having them carry cargoes at low rates to American ports? But like all else with the present administration, it is a case of "let us wait and see."

Some items promised in Halifax prior to the election of December 6th were: elevator, pier, railway sidings—well, I shall not take up the time of the House in mentioning them all. Hon. gentlemen have heard of the promises that were made in regard to the elevator as well as in regard to numerous other things.

I might again refer to the inconsistency of hon. gentlemen opposite. One minister, the Minister of National Defence, for the improvement of our valuable fisheries promised Halifax a fishery station, while at that moment his colleague the then Minister of Marine and Fisheries, was touring the county of Kent, New Brunswick, and telling the electors of that constituency that he would not allow officers of his government again to enter that county to stop illegal fishing for lobsters. Consider the situation, Mr. Speaker: a minister of the Crown telling the people of this country that he will assist them in violating the laws, especially those of his own department!

It perhaps is not generally known by members of this House that of late complaints have been reaching this country from England and the continent about the quality of the tinned lobsters sent to those markets. May these complaints not arise from the fact that lobsters are illegally caught, caught out of season when not fit for human food, packed in cellars and barns, swamp water being used in the process? Such are the facts, and in the face thereof the then Minister of Fisheries not only condones these offences but rather encourages them. The lobster industry is too valuable to trifle with in this way. With so much instability on the part of this government, is it to be wondered at that depression exists throughout our Dominion?

I was much gratified to hear from the lips of the hon. Minister of Public Works (Mr. King, Kootenay), some encouraging words on the subject of Canadian Trade through Canadian ports. Yesterday when speaking he, as a member of this government, placed himself on record in unqualified terms as favourable to that policy, and I cannot do better than quote the hon. member's words which I will read from Hansard of March 17, pages 377 and 378. He said:

> It has been decided that an officer will be placed in New York who will there clear goods in transit for western Canadian ports and also goods coming from western ports to eastern Canadian points. But in the order making provisions for an officer at New York the government have thought it wise to stipulate that goods so moved should be placed in British bottoms, that is, ships of British or Canadian register. It is hoped that by this provision there will be established sailings of British or Canadian ships from Canadian Atlantic ports which will fully accommodate this traffic.
>
> Mr. Ladner: May I inquire whether there are any lines operating ships of British or Canadian register which send vessels that way?
>
> Mr. King (Kootenay): Yes, there is one line, and recently the Canadian National Railways have indicated their intention to put on two ships. I am informed also that there are two or three lines which propose to establish a regular service between eastern and western Canadian ports this summer.

Mr. Ladner: Has the government any definite arrangement with those lines, with a view to making certain that the goods will be carried?

Mr. King (Kootenay): I am satisfied that lines will be established if there are goods to be carried, and we have reason to believe that there will be a very considerable amount of business offering, because it is within the knowledge of the Minister of Customs (Mr. Bureau) that no less than two, and possibly three, lines are prepared to enter into this traffic.

Mr. Ladner: Why would it not be in the interests of traffic to allow any competing lines which would give the service at the reduced rates to have the benefit of the establishment of the customs officer at New York?

Mr. King (Kootenay): There will be a customs officer at New York and goods shipped to that point will have an opportunity of entering into ships of British registry.

Mr. Ladner: My question is, why not other ships?

Mr. King (Kootenay): I think it only fit and proper that we should endeavour to keep this trade within Canadian channels. It will travel over Canadian railways to Canadian ports and will there enter into ships of our own register or of British register to be transported. We are satisfied that in the British merchant marine we have facilities which are sufficiently extensive to give accommodation and to bring about a competition which will control rates in the matter of this tonnage.

I regret to say that one important public body in Vancouver has taken exception to this ruling and contends that these goods should enter ships of any registry and be allowed to move freely. Now, as a representative of British Columbia and a Canadian I do not agree with this contention. I think it absolutely essential, if we are to grow as a nation, that we develop and maintain our national ports. No maritime nation can afford to build up the ports of an adjoining country at the expense of its own. I am satisfied that the people of British Columbia as a whole will endorse this attitude. I am sure that if the position were reversed and the people of Alberta and central British Columbia were to find it more acceptable to ship their goods via the ports of Seattle and Portland, our friends of the Vancouver Board of Trade would be the first to take exception and to insist on certain restrictions that would tend to confine this business to our own ports.

Mr. Ladner: Is the government in possession of any assurances to make certain that the nature of that arrangement does not mean that the rates by water will be adjusted somewhat on the same basis and at the same rate as by rail in which case the advantages of going via New York would be virtually nullified so far as lower rates are concerned.

Mr. King (Kootenay): The government will always have it within their power to amend that regulation if it is found that the people who are going to engage in this business are trying to make excessive profits out of it; but primarily, I think, we are on safe ground. It is the policy of this government to develop our own national ports, and this business, which I believe is going to become of very great importance not only to our people in western Canada but I think of even greater importance to our manufacturing friends in central and eastern Canada, should certainly remain in the channels where the people of Canada will derive the most benefit from it.

Mr. Speaker, this is a move in the right direction—the policy which the Maritimes have been asking for for years. Apply it to transportation between Canadian Atlantic ports, and Canadian Pacific ports then it cannot be denied to transatlantic business.

I do not wish to further detain this House but hope to again refer to this subject, which is of such vital importance to the Maritime provinces.

Mr. W. F. MACLEAN (South York): May I on behalf of the House extend to the junior member for Halifax (Mr. Black) its congratulations upon his maiden speech, and express the surprise of the House at the rather brusque manner in which he scorned his colleague.

I have listened to the debate with a great deal of interest, and I am going to take up the time of the House for only a few minutes; but I wish to say that I do not think I ever heard a better debate in this House than the present one. It has been marked by a great deal of independence, independence on the part of the last speaker, independence on the part of the speaker who preceded him (Mr. Ladner) in regard to banking institutions, and a great deal of independence from the other side of the House. Certainly three of the best and most independent speeches in the debate came from supporters of hon. gentlemen opposite. There has also been a great deal of independence shown by the hon. members from the western provinces, and, speaking in the sense not of a critic but one who has observed this House for a good while, I think the most encouraging thing to-day is the splendid spirit that is manifesting itself in regard to political affairs by the men who have come to this House from the West. I cannot endorse all that they say, but I think it is a good sign.

I am going to take up the time of the House just for a few minutes to refer to the issue now before us, and it is this: I happen to represent in this House 100,000 people, as shown by the last census, and to-day, if I can judge aright, I represent over 130,000. My neighbour in East York (Mr. Harris) represents at least 100,000 people, and my neighbour to the west of me, the hon. member for West York (Sir Henry Drayton), I should think represents 100,000 people. Over 300,000 people are represented in this House by three members, representing three constituencies, made up largely of the city of Toronto, of the growing township of York, and the growing townships of Scarborough and Etobicoke. Yet we in this House have only three votes, while, the other member for York, the Prime Minister of this country (Mr. Mackenzie King)—and it is not his fault at all, and I make no comment upon him in that respect—represents 25,000 people. At

this time and under these conditions, judging by what we heard in the Speech from the Throne, confirmed more explicitly by the Prime Minister when he said there was to be a substantial change in the tariff as applied to instruments used in one of the basic industries of this country, and still further outlined and exemplified by hon. gentlemen of the Progressive party, there is not any doubt in my mind that an effort is now about to be made perhaps to wipe out the national policy of protection of the industries of this country, with which policy I have been identified for many years. I wish to take this opportunity of saying that that should not be done before at least two things transpire. Before that should be done, the first thing that we owe in an issue of this kind, which is far-reaching, which is a reversion of the past, and which may involve a great change in the future, is that the Redistribution Act should become a fact; and that the still more important act bearing on representation and the franchise should be revised. While that is being done the question of what should be done with the tariff policy of this country should be held in abeyance until revision in those two respects is made, or what has been put forward in this House very prominently, that there should be a conference or an attempt made by the different parties in this country to get together in regard to the tariff.

Further a policy which has been advocated in this country, and which I think ought to obtain, is the appointment of a royal commission of experts, to hear evidence from all quarters and to make a report to the House as to what the revision of the tariff ought to be. I believe the tariff question can be better dealt with in that way than in any other manner, and I should like to see that policy carried out. On behalf of the people of Toronto—and I think I may also speak for the three ridings of York—I should like to say that they will regret, and will certainly protest against, this effort to change the National Policy without affording them an early opportunity of expressing their opinion in regard to it. I also want to point out that amongst the three hundred thousand people who live in the portion of Toronto of which I am speaking, and the county of York, the half of them are women, and the coming vote of Canada may be largely the women's vote. On account of their husbands, their sons, and their female representatives, they are just as much interested in the National Policy as anybody in this House. I say, therefore, that a great mistake is being made, and a departure from parliamentary practice is taking place, in changing the present tariff policy without due consideration, and without creating the public machinery whereby a full and adequate expression of opinion can be obtained from the people of this country. Before that opinion is obtained there should be a revision of the Redistribution Act and of the Representation Act of this country. With all the emphasis I can command I make the point that there should be no revision of the tariff without carrying out these two essentials at any rate; a thorough hearing by trained experts of the pros and cons of the case and recommendations by a tariff commission to the House, and an appeal made to the people on the issue. Hon. gentlemen opposite have chosen to bring up the tariff issue, and they are taking advantage of the situation in rather an unfair way. All I have undertaken to do here to-night is to express the view—on behalf of my own constituents, on behalf of the city of Toronto, on behalf of the people of York, and also on behalf of the great industrial population of the city of Montreal and other industrial centres in this country which are absolutely under-represented—that the question of revision should be held up until we can have a thorough investigation, can hear evidence, and the people are put in a proper position to decide the question at the earliest date, if it be remitted to them. I think I am absolutely on constitutional grounds when I say that, I do not think the Progressives should oppose that proceeding. I think if they are the Progressives they claim to be, and think they are, they must listen to the people of Toronto and the people of Montreal. I am a democrat, and I am not the only one in this House, and I demand on behalf of democracy and progress, on behalf of the principle of government by the people, that the revision of the tariff shall be undertaken only after a thorough and competent investigation, that there shall be a revision of the act of distribution, and that there shall be an acceptance of the principle of equality of votes as between constituencies. It is not fair that one constituency with a population of 25,000 should have the voting power of a constituency with a population of 50,000. That does not obtain in any other modern country with a political practice similar to ours. They have that equality I want to see in the United States. Certainly the people who live in the industrial centres and pay their full share of the taxation of this country should have that share in the representation in parliament to which they are entitled.

I think I am speaking on behalf of the industrial centres of this country in saying that they want a hearing before a competent board in regard to the tariff policy of Canada; but before even that they want the representation and the redistribution question so adjusted that there will be an equality of voting power, and an improvement in the franchise. If these essentials are not granted and one attack is made on the tariff, we may hear of many other changes proposed by this irresponsible parliament that undertakes to deal with it. There has been no mandate from the people to this parliament for changes in the tariff. I should only like to point out—and I am not going to discuss the question at any length to-night, I will have the opportunity of doing so when the budget comes up,—to the members from the West that their real relief does not lie so much in change in the tariff. The farmers of the United States have tried it and failed. Real relief to our western farmers—they have had their trials, I know a great deal about them and they have my sympathy—lies in other measurse perhaps than the tariff. It is their right to ask for tariff changes but I cannot agree with them that it is the proper course to pursue. When the budget is brought down I shall take an opportunity of showing that greater relief can be brought to the farmers of this country, and especially to the people of the West in certain other directions which ought to meet with the approval of the whole House, of all the parties in this Chamber, for the amelioration of the unfair conditions under which agriculturists live.

Mr. Speaker, this is all I have to say on this occasion. I shall have an opportunity later on to discuss the Banking Act, to discuss the question of the tariff and of railway legislation. In the meantime I enter my protest against this beginning of a whittling down of the tariff policy of this country, without at the same time making provision for an immediate appeal to the people on that issue. By that issue I agree to be judged and to accept the consequences whatever they may be.

12 midnight

Mr. MEIGHEN: I do not rise to take any part in the debate but to what may be called perhaps a question of privilege. I am not desiring to correct any hon. gentleman, but rather to correct myself. I find that when I stated to the hon. member for Comox-Alberni (Mr. Neill), that the hon. member for Marquette (Mr. Crerar) at the time given by him for the passing of the estimate for the Victoria drydock was Minister of Agriculture, I was mistaken. I was a month out in my recollection. The Minister of Agriculture (Mr. Crerar) resigned on the 4th of June, not on the 4th of July. Not only was he not minister at the time the estimate was passed, but on research I am convinced he was not in the government at the time the estimate was formulated; so that he can dissociate himself from the estimate altogether.

Mr. SPEAKER: Before the vote is taken I would ask hon. members on both sides of the House, kindly to facilitate the task of the officers of the House in the polling of the vote. The custom is that leaders vote first, members then rising in their seats in succession, row by row. It will facilitate matters if this practice is closely adhered to.

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

YEAS

Messrs.

Arthurs,
Baxter,
Black (Halifax),
Black (Yukon),
Bowen,
Chaplin,
Charters,
Church,
Clark,
Dickie,
Doucet,
Drayton (Sir Henry),
Duncan,
Garland (Carleton),
Grimmer,
Guthrie,
Hanson,
Harris,
Hocken,
Hubbs,
Jones,
Ladner,
LeSueur,
MacKelvie,
MacLaren,
Maclean (York),
McKillop,
McQuarrie,
Manion,
Maybee,
Meighen,
Porter,
Preston,
Ross (Kingston),
Ryckman,
Senn,
Sheard,
Spence,
Stansell,
Stevens,
Stewart (Hamilton),
Stewart (Leeds),
Sutherland,
Thompson,
White,
Wilson—46.

NAYS

Messrs.

Archambault,
Baldwin,
Bancroft,
Beaubien,
Béland,
Benoit,
Binette,
Bird,
Black (Huron),
Boivin,
Bouchard,
Boucher,
Bourassa,
Brethen,
Brown,
Cahill,
Caldwell,
Campbell,
Cannon,
Cardin,
Carmichael,
Carroll,
Carruthers,
Casgrain,
Chevrier,
Chew,
Clifford,
Copp,
d'Anjou,
Davies,
Déchêne,
Denis (Joliette),
Denis (St. Denis),
Desaulniers,
Descoteaux,
Deslauriers,
Desrochers,
Drummond,
Duff,
Elliott (Dundas),
Elliott (Waterloo),
Ethier,
Euler,
Evans,
Fafard,
Fansher,
Findlay,
Finn,
Fontaine,
Forke,
Forrester,
Fortier,

Fournier,
Gardiner,
Garland (Bow River),
Gauvreau,
Gendron,
German,
Gervais,
Good,
Gordon,
Gould,
Graham,
Halbert,
Hammell,
Hatfield,
Healy,
Hodgins,
Hoey,
Hopkins,
Hudson,
Hughes,
Humphrey,
Hunt,
Irvine,
Jacobs,
Jelliff,
Johnston,
Kay,
Kelly,
Kellner,
Kennedy (Edmonton),
Kennedy (Glengarry & Stormont),
Kennedy (Port Arthur & Kenora),
King (Huron),
King (Kootenay),
King, Mackenzie (York),
Knox,
Kyte,
Laflamme,
Lanctôt,
Lapierre,
Lapointe,
Lavigueur,
Leader,
Lewis,
Logan,
Lovett,
Lovie,
Low,
Lucas,
Macdonald (Pictou),
Mackinnon,
MacLean (Prince, P.E.I.),
Macphail,
McBride,
McConica,
McDonald (Timiskaming),
McGiverin,
McIsaac,
McKay,
McMaster,
McMurray,
McTaggart,
Marcil (Bonaventure),
Marcile (Bagot),
Marler,
Martell,
Mercier,
Michaud,
Millar,
Milne,
Morin,
Morrison,
Morrissy,
Motherwell,
Munro,
Neil,
Ouimet,
Parent,
Pelletier,
Prevost,
Pritchard,
Putnam,
Rankin,
Raymond,
Reed,
Rhéaume,
Rinfret,
Robb,
Roberge,
Robichaud,
Robinson,
Robitaille,
Ross (Simcoe),
St. Père,
Sales,
Savard,
Séguin,
Sexsmith,
Shaw,
Sinclair (Oxford),
Sinclair (Queens, P.E.I.),
Speakman,
Spencer,
Steedsman,
Stewart (Argenteuil),
Stewart (Humboldt),
Stork,
Thurston,
Tobin,
Wallace,
Walsh,
Ward,
Warner,
Woods,
Woodsworth—167.

PAIRS

(The list of Pairs is furnished by the Chief Whips).

Messrs.

Murphy,
Power,
Fielding,
Gouin,
Chisholm,
Delisle,
Simpson,
Mewburn,
Boys,
Tolmie,
Anderson,
Bristol.

Mr. BOYS: I was paired with the right hon. the Minister of Finance (Mr. Fielding). Had I voted, I would have voted for the amendment.

Mr. POWER: I was paired with the hon. member for East Hamilton (Mr. Mewburn). Had I not been paired, I should have voted against the amendment

[The Chairman.]

Main motion agreed to.

On motion of Mr. Mackenzie King, seconded by Mr. Lapointe it was ordered that the Address be engrossed and transmitted to His Excellency the Governor General by such members of this House as are of the honourable the Privy Council.

SUPPLY

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

That the House will at its next sitting resolve itself into a committee, to consider of the Supply to be granted to His Majesty.

Mr. MEIGHEN: Is the hon. minister ready to tell the House when he will table the Estimates?

Mr. ROBB: To-morrow.

Motion agreed to.

WAYS AND MEANS

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

That this House will at its next sitting resolve itself into a committee to consider of the Ways and Means for raising the Supply to be granted to His Majesty.

Motion agreed to.

On motion of Mr. Mackenzie King the House adjourned at 12.40 a.m. (Wednesday).

Wednesday, March 19, 1924

The House met at three o'clock.

SELECT STANDING COMMITTEES

Right Hon. W. L. MACKENZIE KING (Prime Minister) presented the report of the special committee appointed to prepare and report lists of members to compose the select standing committees of the House, as follows:

No. 1

ON PRIVILEGES AND ELECTIONS

Messieurs

Archambault,
Baxter,
Black (Yukon),
Brown,
Bureau,
Cannon,
Copp,
Elliott (Waterloo),
Findlay,
German,
Gouin (Sir Lomer),
Guthrie,
Hammell,
Jacobs,
Johnston (Last Mountain),
Kyte,
Kelly,
Lapointe,
Logan,
Macdonald (Pictou),
Macphail (Miss),
McMaster,
Morrison,
Porter,
Ryckman,
Sexsmith,
Stewart (Hamilton), and
Vien.—28

No. 2

ON RAILWAYS, CANALS AND TELEGRAPH LINES

Messieurs

Anderson,
Archambault,
Arthurs,
Baxter,
Béland,
Binette,
Bird,
Black (Huron),
Boivin,
Bowen,
Boys,
Bristol,
Cahill,
Campbell,
Cannon,
Carroll,
Casgrain,
Charters,
Chevrier,
Chisholm,
Church,
Clifford,
Copp,
Crerar,
d'Anjou,
Davies,
Déchêne,
Delisle,
Denis (Joliette),
Denis (St. Denis),
Desrochers,
Drayton (Sir Henry),
Drummond,
Ethier,
Euler,
Evans,
Fafard,
Fansher,
Finn,
Forke,
Fournier,
Gardiner,
Gendron,
Gordon,
Gould,
Graham,
Guthrie,
Halbert,
Hammell,
Healy,
Hocken,
Hodgins,
Hoey,
Hughes,
Humphrey,
Jelliff,
Johnston (Last Mountain),
Kay,
Kellner,
Kennedy (Glengarry and Stormont),
Kennedy (Edmonton),
Knox,
Lanctôt,
Lapierre,
Lavigueur,
LeSueur,
Lewis,
Lovett,
Lovie,
Low,
Lucas,
Macdonald (Pictou),
Mackinnon,
MacLaren,
MacLean (Prince, P.E.I.),
Maclean (York),
McConica,
McCrea,
McDonald (Timiskaming),
McGiverin,
McIsaac,
McMurray,
McQuarrie,
McTaggart,
Manion,
Marcile (Bagot),
Marler,
Martell,
Maybee,
Mercier,
Mewburn,
Millar,
Michaud,
Milne,
Mitchell,
Morrison,
Morrissy,
Murdock,
Parent,
Pelletier,
Power,
Putnam,
Rankin,
Robinson,
Robitaille,
St. Père,
Savard,
Séguin,
Shaw,
Sheard,
Simpson,
Sinclair (Queen's, P.E.I.),
Speakman,
Spence,
Stansell,
Stevens,
Stewart (Argenteuil),
Stewart (Hamilton),
Stewart (Humboldt),
Stewart (Leeds),
Stork,
Sutherland,
Tobin,
Vien,
Wallace,
Ward,
Walsh,
White, and
Wilson.—130.

And that the quorum of the said committee do consist of twenty-five members.

No. 3

ON MISCELLANEOUS PRIVATE BILLS

Messieurs

Anderson,
Archambault,
Baldwin,
Bancroft,
Bird,
Boivin,
Bouchard,
Boucher,
Bourassa,
Bowen,
Boys,
Brethen,
Brown,
Bureau,
Chew,
Clark,
Chaplin,
Davies,
Denis (St.Denis),
Deslauriers,
Drummond,
Ethier,
Findlay,
Fontaine,
Forrester,
Fortier,
Garland (Carleton),
Gendron,
Gould,
Hammell,
Harris,
Jones,
Kellner,
Kennedy (Edmonton),
King (Huron),
Lewis,
Lucas,
MacKinnon,
MacLaren,
McGiverin,
McKillop,
McMurray,
Marcil (Bonaventure),
Marcile (Bagot),
Mercier,
Morin,
Ouimet,
Porter,
Power,
Pritchard,
Putnam,
Raymond,
Rhéaume,
Reed,
Robitaille,
Séguin,
Senn,
Sinclair (Oxford),
Stork,
Thompson,
Tobin,
Wilson,
Woods, and
Woodsworth.—65.

And that the quorum of the said committee do consist of ten members.

No. 4

ON STANDING ORDERS

Messieurs

Binette,
Black (Halifax),
Black (Huron),
Chaplin,
Chew,
Clifford,
Deslauriers,
Desrochers,
Doucet,
Duff,
Duncan,
Euler,
Evans,
Gervais,
Gould,
Harris,
Hodgins,
Hughes,
Kelly,
Lavigueur,
Leader,
LeSueur,
MacLaren,
Maclean (York),
McTaggart,
Mercier,
Ouimet,
Parent,
Róberge,
Robichaud,
Ryckman,
Steedsman, and
Stewart (Leeds).—33.

And that the quorum of the said committee do consist of seven members.

No. 5

ON PRINTING

(Members to act on the part of the Commons)

Messieurs

Baldwin,
Charters,
Chevrier,
Coote,
Euler,
Fansher,
Gauvreau,
Hocken,
Humphrey,
Jones,
MacKelvie,
McConica,
Malcolm,
Marcil (Bonaventure),

Michaud,
Murdock,
Preston,
Prévost,
Raymond,
Rinfret,
Robichaud,
St. Père, and
Thurston.—23.

No. 6

ON PUBLIC ACCOUNTS

Messieurs

Archambault,
Beaubien,
Bourassa,
Boys,
Brethen,
Bristol,
Cannon,
Cardin,
Carroll,
Casgrain,
Chisholm,
Clark,
Coote,
Crerar,
Drayton (Sir Henry),
Duff,
Elliott (Dundas),
Finn,
Forke,
Gardiner,
Gauvreau,
German,
Hanson,
Hudson,
Humphrey,
Jacobs,
Kelly,
Kennedy (Edmonton),
King (Kootenay East),
Kyte,
LeSueur,
Logan,
Lewis,
Macdonald (Pictou),
Mackinnon,
McCrea,
McGiverin,
McIsaac,
McMaster,
Manion,
Martell,
Meighen,
Mewburn,
Michaud,
Mitchell,
Papineau,
Parent,
Power,
Preston,
Rhéaume,
Ryckman,
Sheard,
Steedsman,
Stewart (Leeds),
Simpson,
Thurston,
Tobin,
Tolmie,
Vien,
Wallace, and
Ward.—61.

And that the quorum of the said Committee do consist of twenty-one members.

No. 7

ON BANKING AND COMMERCE

Messieurs

Baxter,
Benoit,
Bird,
Black (Halifax),
Black (Yukon),
Boivin,
Bristol,
Cahill,
Caldwell,
Carmichael,
Carruthers,
Casgrain,
Chaplin,
Chevrier,
Clark,
Clifford,
Coote,
Crerar,
d'Anjou,
Desaulniers,
Descoteaux,
Drayton (Sir Henry),
Duncan,
Elliott (Dundas),
Elliott (Waterloo),
Fafard,
Fielding,
Forke,
Fortier,
Garland (Bow River),
German,
Good,
Grimmer,
Guthrie,
Hanson,
Harris,
Hatfield,
Healy,
Hodgins,
Hudson,
Hughes,
Irvine,
Jacobs,
Kellner,
King (Huron),
Ladner,
Laflamme,
Low,
McBride,
Macdonald (Pictou),
Mackinnon,
Maclean (York),
Macphail (Miss),
McCrea,
McKay,
McMaster,
McMurray,
McQuarrie,
McTaggart,
Malcolm,
Marler,
Maybee,
Mewburn,
Millar,
Milne,
Mitchell,
Morin,
Papineau,
Porter,
Power,
Rankin,
Rhéaume,
Robb,
Robichaud,
Robitaille,
Ryckman,
St. Père,
Sales,
Senn,
Shaw,
Speakman,
Spencer,
Stevens,
Sinclair, D. J. (Oxford),
Sinclair (Queen's, P.E.I.),
Stork,
Tobin,
Vien,
Woods, and
Woodsworth.—90.

And that the quorum of the said Committee do consist of twenty-one members.

No. 8

ON AGRICULTURE AND COLONIZATION

Messieurs

Anderson,
Arthurs,
Baldwin,
Benoit,
Boivin,
Boucher,
Bouchard,
Bourassa,
Bowen,
Brethen,
Brown,
Cahill,
Caldwell,
Campbell,
Cardin,
Carruthers,
Charters,
Chew,
Clifford,
Crerar,
Déchène,
Delisle,
Denis (Joliette),
Denis (St. Denis),
Desaulniers,
Descoteaux,
Desrochers,
Doucet,
Duncan,
Evans,
Fafard,
Fontaine,
Forke,
Forrester,
Fortier,
Fournier,
Garland (Carleton),
Gendron,
Gervais,
Gould,
Halbert,
Hatfield,
Hopkins,
Hubbs,
Hunt,
Jelliff,
Jones,
Kay,
Kennedy (Glengarry and Stormont),
Knox,
Laflamme,
Lanctôt,
Lapierre,
Leader,
Lovett,
Lovie,
Lucas,
MacKelvie,
MacLean (Prince, P.E.I.),
McBride,
McConica,
McCrea,
McKay,
McKillop,
McMaster,
McMurray,
Malcolm,
Marcile (Bagot),
Maybee,
Millar,
Milne,
Morin,
Morrison,
Morrissy,
Motherwell,
Munro,
Neill,
Ouimet,
Preston,
Pritchard,
Rankin,
Raymond,
Reed,
Robinson,
Roberge,
Ross (Simcoe),
Sales,
Savard,
Séguin,
Senn,
Sexsmith,
Simpson,
Sinclair (Oxford),
Sinclair (Queen's, P.E.I.),
Spence,
Stansell,
Stewart (Argenteuil),
Stewart (Humboldt),
Sutherland,
Thompson,
Thurston,
Tobin,
Tolmie,
Warner, and
White,—105.

And that the quorum of the said Committee do consist of twelve members.

No. 9

ON MARINE AND FISHERIES

Messieurs

Bancroft, Ladner,
Campbell, MacLaren,
Cardin, MacLean (Prince, P.E.I.),
Chisholm, McIsaac,
Delisle, McQuarrie,
Dickie, Martell,
Doucet, Morrissy,
Duff, Munro,
Elliott (Dundas), Neill,
Fournier, Pelletier,
Gauvreau, Putnam,
Grimmer, Robichaud,
Hatfield, Ross (Simcoe),
Hoey, Savard,
Hubbs, Spencer,
Hughes, Stansell,
Kennedy (Port Arthur and Kenora), Stevens,
Lapointe, Stewart (Humboldt), and Stork,—37.

And that the quorum of the said Committee do consist of ten members.

No. 10

ON MINES AND MINERALS

Messieurs

Arthurs, Knox,
Black (Yukon), Lapierre,
Bird, Logan,
Boucher, Macdonald (Pictou),
Cahill, Macphail (Miss),
Carroll, McBride,
Carruthers, Marcil (Bonaventure),
Church, Marler,
Davies, Meighen,
Déchène, Munro,
Denis (Joliette), Pelletier,
Dickie, Prévost,
Drummond, Roberge,
Forrester, Ross (Kingston),
Garland (Bow River), Spence,
Gendron, Stewart (Argenteuil),
Hanson, Stork, and
Hunt, Warner,—37.
Kennedy (Edmonton),

And that the quorum of the said Committee do consist of ten members.

No. 11

ON FORESTS, WATERWAYS AND WATER-POWERS

Messieurs

Caldwell, Lanctôt,
Church, Logan,
d'Anjou, McKillop,
Desaulniers, McTaggart,
Deslauriers, Malcolm,
Duff, Manion,
Finn, Michaud,
Gervais, Millar,
Graham, Munro,
Grimmer, Murphy,
Hoey, Power,
Hunt, Rinfret,
Kennedy (Port Arthur and Kenora), Stewart (Argenteuil),
Kennedy (Stormont and Glengarry), Stewart (Hamilton),
King (Kootenay East), Tolmie,
Ladner, Wallace, and White,—33.

And that the quorum of the said Committee do consist of ten members.

No. 12

OFFICIAL REPORT OF DEBATES

Messieurs

Boivin, McGiverin,
Ethier, Marcil (Bonaventure),
Fansher, Prévost,
Gardiner, Rinfret,
Garland (Bow River), Robinson, and
Hocken, Ross (Kingston),—13.
MacKelvie,

And that the quorum of the said Committee do consist of five members.

No. 13

ON THE LIBRARY

(Members to act on the part of the Commons)

Mr. Speaker and Messieurs

Beaubien, Lapointe,
Béland, Lovett,
Carmichael, Meighen,
Deslauriers, Pritchard,
Euler, Robinson,
Garland (Carleton), Ross (Kingston),
Gauvreau, Sheard,
Good, Sinclair (Oxford),
Gouin (Sir Lomer), Steedsman, and
Hopkins, Walsh,—21.
King, Mackenzie (York),

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the report of the special committee appointed to prepare and report with all convenient speed the lists of members to compose the select standing committees of this House during the present session, presented this day, be concurred in.

Motion agreed to.

Right Hon. W. L. MACKENZIE KING moved:

That the select standing committees of this House shall severally be empowered to examine and inquire into all such matters and things as may be referred to them by the House, and to report from time to time their observations and opinions thereon, with power to send for persons, papers and records, with the exception of the committee on Debates and that on the Library of Parliament.

Motion agreed to.

BRITISH PREFERENCE

Right Hon. W. L. MACKENZIE KING (Prime Minister): I desire to lay on the Table of the House a copy of the correspondence which took place during the proceedings of the Imperial Conference, between members of the government of Great Britain and myself on the subject of the British preference.

CATTLE EMBARGO

Right Hon. W. L. MACKENZIE KING: I wish also to lay on the Table of the House copies of the correspondence that took place during the proceedings of the Imperial Conference between the Minister of Agriculture, Sir Robert Sanders, and myself, with respect to the cattle embargo.

JAPANESE IMMIGRATION

Right Hon. W. L. MACKENZIE KING: At the conclusion of last session the hon. member for Comox-Alberni (Mr. Neill) spoke to me about the negotiations that were proceeding between the government of Canada and the government of Japan in respect to the restriction of immigration from Japan, and asked if I would inform the House at that time what progress had been made with these negotiations. I intimated that I was not in a position to bring down the correspondence at the time, but that I would do so as soon as the House reassembled. I desire now to lay on the Table copies of the correspondence between the governments of Japan and Canada with respect to the subject of restriction of immigration. My hon. friend will see that the Japanese government do not, under the administrative measures now adopted, contemplate that the number of Japanese emigrants going to Canada as household servants and agricultural labourers will exceed 150 annually.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

SHIPMENTS THROUGH CANADIAN PORTS

Mr. MacLAREN:

1. Has the National Railway management, as a matter of actual practice, been diverting all unrouted shipments for Atlantic export through Canadian ports? If so, since what date?
2. Has the National Railway management given any assurance to the government that unrouted shipments shall be transmitted only through Canadian ports?
3. If not, does the government propose to take such steps as may be necessary to ensure that unrouted freight be transmitted through Canadian ports?

Hon. Mr. ROBB:

1. It is the practice of Canadian National railways to forward through Canadian ports any unrouted shipments for Atlantic export.

2 and 3. Answered by No. 1.

FRENCH AND ITALIAN TREATIES

Mr. ANDERSON:

1. At what date did the treaties with France and Italy, passed by parliament last session, respectively, go into effect?
2. What was the value of Canada's agricultural products exported to France in 1922 and 1923 respectively?
3. What was the value of our exports of wire nails, screws, bolts, rivets and washers to France in the same two years?
4. What were our imports of wines from France, in gallons and dollars, during the last six months of 1922 and 1923 respectively?

Hon. Mr. COPP:

1. French treaty, September 5, 1923; Italian treaty, January 8, 1924.

2. Value of Canadian agricultural products exported to France: 1922, $4,678,028; 1923, $6,215,044.

3. Value of wire nails, screws, bolts, rivets and washers exported to France:

	1922	1923
Wire Nails	nil	nil
Screws	nil	nil
Bolts and nuts	nil	nil

Rivets and washers not separately classified for statistics.

4. Imports of wines from France entered for consumption in Canada from July 1st to December 31, 1922, Gallons, 101,444; value, $514,537. 1923—Gallons, 86,247; value, $194.382.

BRONTE PIER

Mr. ANDERSON:

1. What repairs were made to the piers at Bronte, Ontario, in 1923?
2. Who was the contractor and what is his address?
3. Were tenders called for?
4. If not, how was the work done?
5. What was the cost of said repairs?
6. Was local labour employed?

Hon. Mr. KING (Kootenay):

1. On the north pier three courses of face timbers were renewed on each side for a length of 330 feet, as well as on the south end of this pier. Deck stringers and one row of cross ties were also renewed over this length. At the inner end of the south pier two courses of face timbers were renewed on each side for a length of 105 feet, and one row of cross ties, together with decking and stringers, was renewed over this length.

2. Work was performed by day labour Tenders were asked for supply of lumber and contract awarded the Beaver River Lumber & Shingle Company, New Westminister, B.C.

3. Yes, for timber.

4. Work done by day labour.

5. $5,593.81.

6. Yes, with the exception of George Bussey, foreman, attached to Toronto office and six men employed on government plant engaged on the work.

OAKVILLE EAST PIER

Mr. ANDERSON:

1. What repairs were made to the Oakville East pier in 1923?
2. What is the name and address of contractor?
3. What was the cost of said repairs?
4. Were tenders asked?
5. If so, what are the names of persons tendering and the amount of each tender?
6. Has the work been satisfactorily completed?

Hon. Mr. KING (Kootenay):

1. Reconstruction of three courses of face timbers on both north and south sides of east

pier, for a distance of 575 feet north of the lighthouse; also the renewal of one row of cross ties, longitudinals, stringers and decking.

2. Work was done by day labour. Tenders were called for timber and order given the Boake Manufacturing Company, Toronto.

3. Expenditure to January 31st, 1924, $9,-936.96.

4. Tenders were asked for timber.

5. J. B. Smith & Co., part order, delivered in car loads at $65 per M., F.B.M.; R. B. Herron & Co., car loads, $76 per M. F.B.M.; Laidlaw Lumber Co., car loads, part order, $73 per M.; Boake Manufacturing Co., delivered by truck to site of work, thereby saving cost of unloading and teaming, which would amount to $4 per M., as follows:—

56,172 F.B.M. @ 66 per M.....	$3,707.35
27,000 F.B.M. @ 63 per M.....	1,451.00
83,172 F.B.M.	$5,158.35

6. Practically completed; will be fully completed March, 1924.

BRANT MILITARY HOSPITAL

Mr. ANDERSON:

1. When was the Brant Military Hospital closed?
2. Were any persons left in charge?
3. If so, how many persons are now in the said service?
4. What pay do they receive?
5. What amount of insurance is carried on said buildings?
6. What does the government intend doing with these buildings?

Hon. Mr. COPP:

1. It was closed on September 15, 1923, and transferred to the Department of Public Works on November 8, 1923.

2. Temporary employees for one month to December 7, 1923: J. Smith, engineer, $125 per month and cottage; G. D. Bird, fireman, $100 per month and cottage; T. Lee carpenter, $100 per month and cottage; F. J. James, watchman, $85 per month and cottage.

The services of F. J. James and T. Lee were employed from December 8 until appointment of watchmen was made by the Civil Service Commission.

3.-4. H. Hanna, day watchman, $720 per annum from February 13, 1924: T. Henderson, night watchman, $720 per annum from February 20, 1924.

5. None.

6. Buildings were a war necessity and have their purpose. There is no immediate further government use for them.

CAMPBELLVILLE DRILL SHED

Mr. ANDERSON:

1. Has the Campbellville drill shed property been sold?
2. If so, who was the purchaser?
3. What was the purchase price?
4. Was it sold by tender or auction?

Hon. Mr. MACDONALD (Pictou):

1. Yes.

2. Messrs. Murray Crawford, Ltd., Campbellville, Ont.

3. $205 for the building only.

4. Sold by public tender. The site was reconveyed to the original donor, Mr. Felix Devlin, as required by the original deed.

MEDICAL BRANCH, D.S.C.R., PORT ARTHUR

Hon. Mr. MANION.

1. Has any change been made in the medical representative of the Department of Soldiers' Civil Re-establishment at Port Arthur, Ontario?
2. If so, what is such change and why was it made?

Hon. Mr. BELAND.

1. Yes.

2. Dr. Crozier was replaced by Dr. Brown. Both men had war service. Dr. Crozier was overseas and Dr. Brown in Canada. The latter, who is the senior by several years, had to tender his resignation in 1918 on account of insomnia, nervousness and generally impaired physical condition after four years of strenuous duties. He, however, recovered sufficiently to be appointed medical representative in March, 1919, and after six months was replaced by Dr. Crozier. At that date the Unit Medical Director certified that Dr. Brown's services had in every way been most satisfactory. Dr. Crozier has been titular for over four years and in view of Dr. Brown's seniority and poor physical condition it has been considered equitable to reinstate him for a time.

ST. LAWRENCE-GREAT LAKES CANAL SYSTEM

*Hon. Mr. MANION:

1. Have the governments of Canada and the United States yet appointed the engineers who are to report upon the costs of the proposed St. Lawrence-Great Lakes canal system?
2. Has a time limit been placed upon the investigation to be made by these engineers?
3. If so, what is that time limit?

Right Hon. Mr. MACKENZIE KING: The government of the United States and Canada have not as yet appointed the engineers to report upon the cost of the proposed St. Lawrence-Great Lakes system.

IRON ORE BOUNTY

Hon. Mr. MANION:

1. Has the government been notified that the Ontario government is offering to give a bounty upon iron ore, providing the Dominion government gives an equal bounty?

2. If so, has the government decided upon its policy in this regard?
3. What is that policy?

Hon. Mr. STEWART (Argenteuil):

1. Yes.
2. Receiving consideration.
3. Answered by No. 2.

HUDSON BAY RAILWAY

Mr. CAMPBELL:

1. What portion of the $350,000 appropriation for work on the Hudson Bay railway was actually spent during the season of 1923-24?
2. What was the nature and extent of the work done?
3. What wages were paid the trackmen engaged on this work and what was the weekly deduction for board?

Hon. Mr. ROBB (for the Minister of Railways and Canals):

1. $112,963.27.

2. Building wye at mileage 81.0, engine house at The Pas and renewing track ties.

3. January 1st, to July 15th. Track foreman $69.60 per month and board, Labourers 25c. per hour without board.

July 16th to December 31st. Track foreman .55c. per hour without board, Labourers .30c. per hour without board.

Board. January 1st to April 30th, $6.50 per week. May 1st to December 31st, $6 per week.

EMBARGO ON LIQUOR IMPORTS

Mr. BLACK (Yukon):

1. Has the government of the United States or any department thereof refused to allow the transportation across Alaska via Skagway of liquors sought to be imported in bond from Canadian ports to Yukon Territory by the government of that territory?
2. If so, how long has said embargo on Canadian imports been in operation?
3. What steps, if any, is the government of Canada taking to have this embargo on Canadian imports removed?
4. Has the government been advised as to whether said embargo will be removed? If so, when is it to be removed?

Hon. Mr. STEWART (Argenteuil):

1. Yes.
2. Since the summer of 1922.
3. Negotiations are now proceeding with United States authorities upon the subject.
4. No.

CANADIAN GOVERNMENT MERCHANT MARINE —COAL

Mr. NEILL:

1. What tonnage of coal was supplied to the boats of the Canadian Government Merchant Marine operating on the Pacific ocean during each of the calendar years of 1921, 1922 and 1923?

2. Who supplied said coal, in what quantities, and at what ports were deliveries made in each of the said years?

[Mr. Mackenzie King.]

Hon. Mr. ROBB (for the Minister of Railways and Canals):

1. The following coal was supplied to steamers of the Canadian Government Merchant Marine operating on the Pacific coast during the years 1921, 1922 and 1923:

Year 1921.. .. .. 18,410 tons
Year 1922.. .. .. 27,936 tons
Year 1923.. .. .. 41,820 tons

2. Name of Supplier—Quantity—Port Deliveries Made:

1921—Western Fuel Corporation, 13,201 tons, Nanaimo; Wellington Comox Agency, 5,209 tons, Union Bay.

1922—Western Fuel Corporation, 20,083 tons, Nanaimo; Wellington Comox Agency, 7,853 tons, Union Bay.

1923—Western Fuel Corporation, 32,372 tons, Nanaimo; Wellington Comox Agency, 9,448 tons, Union Bay.

OLD AGE PENSIONS

Mr. NEILL:

Is it the intention of the government to appoint a committee this session, to inquire into, and report on, the subject of old age pensions?

Right Hon. Mr. MACKENZIE KING: It is the intention of the government to appoint a committee at this session to inquire into the subject of old age pensions.

CANADIAN NATIONAL RAILWAYS— PENSIONS

*Mr. GAUVREAU:

1. Is it the intention of the government to introduce during the present session a uniform Superannuation and Retirement Bill, on behalf of the employees of the National Railways?

2. If so, will the government introduce this measure at an early date?

Hon. Mr. ROBB (for the Minister of Railways and Canals): The question of a general superannuation or pension plan for employees of Canadian National Railways is at present under consideration by the management. When the matter has been dealt with by the Board of Directors and the representatives of the employees the government will take any necessary steps to provide requisite legislation.

MAIL CARRIED BY CANADIAN PACIFIC RAILWAY

Mr. WARD:

What percentage of the mail of Canada is being carried by the Canadian Pacific Railway between eastern Canada and the Pacific Coast?

Hon. Mr. STEWART (Argenteuil): (For the Postmaster-General): Expenditure on ac-

count of the railway mail service for the whole of Canada for fiscal year, 1922-23:

Canadian Pacific Railways	$3,683,232.80
Canadian National Railways	3,178,411.02
Other Railways	615,839.07
Total	$7,477,482.89

The above figures represent approximately the percentage of mails carried by the different railways.

In every case the department has to be governed by the requirements of the postal service in the territory served by the railway, but wherever it is possible to do so preference is given to the National Railways in the carriage of the mails and the establishment of new services.

CIVIL SERVICE—SUPERANNUATION

Mr. GAUVREAU:

Is it the intention of the government to introduce at the present session, a Superannuation and Retirement Bill for the employees of the Civil Service of Canada?

Hon. Mr. ROBB: Yes.

CANADIAN NATIONAL RAILWAYS—PORT NELSON

Mr. CAMPBELL:

1. What amount of railway material, equipment and rolling stock is now stored at Port Nelson?
2. What is the approximate value of this material?

Hon. Mr. ROBB (For the Minister of Railways and Canals:

1. and 2.

General plant .. ..

1. Yes.

2. By Order in Council P.C. 1632 of August 17, 1923. To effect economy and efficiency in the public service.

3. Under the supervision of a sub-committee of Council known as the Government Contracts Supervision Committee, of which Colonel Lafleche, formerly Chairman of the Purchasing Commission, is secretary.

WATER DIVERSION FROM GREAT LAKES

Mr. WHITE:

1. Has the government of Canada ever agreed to the diversion of any water from the Great Lakes by the Sanitary District of Chicago?

2. If so, when and for how many second-feet?

3. Does the government know how much water is being diverted at the present time?

4. If so, how is the information secured?

5. To what purpose is this water being diverted? Is it for sanitary purposes for the generation of power, or for the purpose of improving navigation conditions in American waters?

6. If the Sanitary District of Chicago is diverting water in excess of agreement (if any has been made) what steps is the government taking to prevent that condition continuing?

7. If no agreement has been made, what protest is being made by the government of Canada and with what results?

8. Has the Sanitary District of Chicago or the United States government made any request that Canada agree to the diversion of certain amounts of water?

Hon. Mr. STEWART (Argenteuil):

1. No.

2. Answered by No. 1.

3. Not definitely.

4. Answered by No. 3.

5. Claimed to be diverted for sanitary purposes and also utilized for power.

6 and 7. Representations have been and are being made to the government of the United States against the diversion of water referred to.

8. No.

CUSTOMS DEPARTMENT RENT, TORONTO

Mr. HOCKEN:

What is the total amount paid as rent for accommodation of the Customs department in the city of Toronto?

Hon. Mr. COPP: Building 276 King Street, West, $11,000 per annum, month to month lease. Buildings 52-54-56 West Wellington Street, $18,000 per annum, (lease expires March 1st 1925). Total annual rental $29,000.

LIGHT KEEPER, CEDARS, N.B.

Mr. JONES:

1. When did the position of Lightkeeper, Cedars, Parish of Kingston, King's County, New Brunswick, become vacant?

2. Who were the applicants for the position?

3. Were any applications received from returned soldiers?

4. Who was appointed and on whose recommendation?

5. Is the department aware that Sanford Evans, a returned soldier, with 22 months' service in France and also having two brothers each having served four years in France, was an applicant for this position?

6. Why was a returned soldier not appointed to this position?

Hon. Mr. CARDIN:

1. 14th August, 1923.

2. Frank Butler Gorham.

3. No.

4. Frank Butler Gorham, on the recommendation of the Minister of Marine and Fisheries.

5. No.

6. See answer to No. 3.

CANADIAN NATIONAL RAILWAYS—ST. JOHN, N.B.

Hon. Mr. BAXTER:

1. Is the Department of Railways and Canals aware that the Canadian National Railways recently issued a map, showing the rails of that road from Halifax, Sydney and Yarmouth to Prince Rupert and Vancouver and also to Portland, Maine, and to New London, Connecticut?

2. Is it true that the said map also shows Edmundston and Campbellton as connected with the Canadian National Railways?

3. Why is not St. John shown on map as connected with the rails of the Canadian National Railways?

4. How many copies of said map have been issued, at what cost and how have they been and how are they being distributed?

5. Why does said map not show the Canadian National Railways rails as extending from Moncton to St. John?

6. Why is not St. John even shown on the map?

7. To whose neglect or ignorance is this omission attributable?

Hon. Mr. ROBB (For the Minister of Railways and Canals): Map referred to was small skeleton map, approximately 3 x 5 inches, prepared by one of the constituent companies prior to amalgamation of Canadian National System, and used on inside cover of small publication entitled "Montreal-Canada," issued somewhat over a year ago by passenger traffic department. On this skeleton map St. John was unfortunately omitted. The oversight was unintentional but none the less regrettable. The booklet in question is now out of circulation. The management has been in correspondence with the St. John Board of Trade regarding the matter and steps will be taken to see that such oversight does not occur again.

DUTIES—HIDES AND WOOL

Mr. SUTHERLAND:

1. What are the respective quantities, values and amount of duty collected on the importation of: Raw wool, worsted tops, noils and wool waste, for the years ending March 31, 1920, 1921, 1922 and 1923?

2. What are the respective quantities, values and duty collected on the imports of manufactured or par-

tially manufactured products of wool for above years?

3. What are the quantities and values of the exports of the articles mentioned in questions one and two?

4. What is the estimated production of wool in Canada for the years mentioned in question one?

5. What are the respective quantities, values and amount of duty collected on sheep skins, imported, also quantity and value of skins exported during the years 1920, 1921, 1922 and 1923?

6. What are the respective quantities, values and duty collected on importations of mutton and lamb, also quantities and values of the exports during the years mentioned?

Hon. Mr. COPP:

1. Imports entered for consumption—

——	Year	Lb.	Value	Duty
			$	$
Raw wool	1920	11,777,890	7,672,211	186
	1921	9,285,663	5,088,665	218
	1922	12,661,812	3,179,076	2,254
	1923	18,273,344	5,078,929	532
Worsted tops	1920	.....	5,850,957	475
	1921	4,544,973	5,575,031	43
	1922	5,791,476	2,725,344	26
	1923	8,143,585	3,993,814	122
Noils	1920	.....	.....	
	1921	988,135	597,650	Free
	1922	1,433,905	532,872	"
	1923	966,725	437,251	"
Wool waste	1920	407,127	325,437	Free
	1921	672,120	500,607	"
	1922	288,189	99,483	"
	1923	185,048	94,719	"

Worsted tops and Noils not separately classified prior to 1921 and values only recorded.

2. Imports entered for consumption—

Wool manufactured or partially manufactured	1920	.....	49,640,227	13,970,425
	1921	.....	55,259,508	14,377,182
	1922	.....	28,687,922	7,927,801
	1923	.....	36,129,668	9,153,427

3.

Exports raw wool	1920	9,084,727	5,472,236	
	1921	7,288,373	2,168,256	
	1922	1,034,433	242,045	
	1923	8,667,400	2,363,931	

4.

Exports wool manufactured or partially manufactured.	1920	.....	11,487,489	
	1921	.....	5,682,247	
	1922	.....	927,616	
	1923	.....	391,503	

Year ending March 31st, 1920	20,000,000 lbs.
" " 1921	24,000,000 lbs.
" " 1922	21,251,000 lbs.
" " 1923	18,523,392 lbs.

5. Imports entered for consumption— Exports.

—	Year	Lb.	Value	Duty	Cwt.	Value
			$			$
Sheep skins	1920	2,043,295	937,398	Free	55,915	1,779,433
	1921	2,070,758	972,490	"	43,397	498,073
	1922	2,624,682	376,985	"	22,608	206,487
	1923	2,129,224	350,200	"	51,411	659,620

6. Imports entered for consumption—

Mutton and lamb	1920	4,842,904	803,774	120,539	61,401	1,314,573
	1921	7,847,701	1,272,165	201,391	64,055	1,626,792
	1922	3,416,332	533,005	95,910	78,970	1,342,146
	1923	1,460,130	261,382	42,786	36,101	847,233

PHYSICIANS, D.S.C.R., WINNIPEG

Hon. Mr. MANION:

1. How many physicians are employed in Winnipeg in connection with the work of the Department of Soldiers' Civil Re-establishment?
2. What are their names and the monthly salary or allowance paid to each of them?

Hon. Mr. BELAND:

1. Twenty-two.
2. List of physicians employed in connection with the work of the Department of Soldiers' Civil Re-establishment in Winnipeg:

Name	Monthly Salary or Allowance
Dr. N. K. McIvor	$400.00
Dr. A. R. Taylor	333.33
Dr. F. C. A. Walton	333.33
Dr. W. A. Groves	333.33
Dr. L. T. Ainley	333.33
Dr. P. G. Bell	300.00
Dr. W. H. Secord	300.00
Dr. J. R. W. Nicholson	300.00
Dr. F. A. Young	300.00
Dr. J. T. Wright	275.00
Dr. J. T. Sterling	250.00
Dr. R. W. Anderson	250.00
Dr. G. S. Williams	250.00
Dr. C. F. Wheaton	250.00
Dr. W. Creighton	250 00
Dr. W. L. Mann	200.00*
Dr. J. D. Adamson	200.00*
Dr. W. F. Day	300.00*
Dr. W. A. Gardner	300.00*
Dr. D. F. MacIntyre	200.00*
Dr. J. A. Gunn	200.00*
Dr. H. M. Cameron	150.00*

*Part-time services.

ADULTERATION OF MILL FEEDS

Mr. EVANS:

1. Is it the intention of the government to enforce the bill for the prevention of the adulteration of bran, shorts and other mill feeds?
2. If not, why?

Hon. Mr. COPP.

Hon. Mr. MOTHERWELL:

1. Yes.
2. Answered by No. 1.

INCOME TAX, 1922

Hon. Mr. GARLAND (Carleton):

1. What was the total amount of Income Tax collected for the year 1922?
2. What was the total cost of collecting same?

Hon. Mr. ROBB:

1. Business profits war tax, $22,815,666.58; income war tax, $78,684,354.80; total $101,500,021.38.
2. (Including bonus) $2,277,349.78.

The cost of collection covers the administration of The Business Profits War Tax Act and The Income War Tax Act, as both acts were administered by the same employees.

R.C.M.P. AND MEETINGS

Mr. WOODSWORTH:

1. Were members of the Royal Canadian Mounted Police present at a labour meeting at Nanaimo, September 16th, 1923?
2. Is it the policy of the government to use the police to report on the activities of the labour organizations?
3. Is it the policy of the government to use public funds and public officials to report the meetings of the other political parties represented in this House?

Hon. Mr. LAPOINTE:

1. The minister is informed that two members of the force attended a public meeting on that date.
2. No.
3. No.

SUBSIDIES TO SHIPYARDS

Mr. WOODSWORTH:

1. What number of shipyards are receiving subsidies from the government?
2. What are the names of these shipyards?
3. What amount of subsidy is paid to each?
4. Under what conditions are these subsidies paid?

Hon. Mr. ROBB:

1. None.
2, 3 & 4. Answered by No. 1.

CANADIAN GOVERNMENT MERCHANT MARINE

Mr. WOODSWORTH:

1. How many boats of the Canadian Government Merchant Marine are now in service?
2. How many have been sold?

Hon. Mr. ROBB:

1. Thirty-eight.
2. Four.

STEEL PLATE MILLS

Mr. WOODSWORTH:

What assistance, if any, has the government given in establishing mills in Canada for the production of steel plates for ships?

Hon. Mr. CARDIN: No assistance by the present government.

CAMPBELLO-ST. ANDREWS MAIL

Mr. GRIMMER:

1. Why was the contract with James R. Brown for carrying mail between Campbello, Deer Island and St. Andrews, cancelled?
2. By whom is the service now performed and what is the difference in cost?
3. What tenders were received for the new contract and at what figures?
4. What additional contracts have been let to cover, in part or in whole, the work performed by Mr. Brown and what is the cost of same and by whom is the work being done?

Hon. Mr. STEWART (Argenteuil) (For the Postmaster General):

1. Representations having been made that the mail routes in that district could be rearranged to give a more efficient service at a lower cost to the department, public tenders were invited to ascertain cost with the result that offers were received which made it possible to put an improved service into effect at a saving of $170 per annum. In accordance with the terms of his contract Mr. James R. Brown was then given three months' notice of its cancellation.

2 and 4. The establishment of the improved service necessitated the supersession of the services between (1) St. Andrews and Wilson's Beach, performed by J. R. Brown at a cost of $4,800 per annum; (2) Fairhaven and Lambertville, performed by A. H. Lambert at a cost of $1,070 per annum; total $5,870 per annum; by the following services: (a) Lord's Cove and St. Andrews, performed by Messrs. Calder and Newman at a cost of $5,300 per annum; (b) Lambertville and Lord's Cove performed by L. Lambert at a cost of $200 per annum; (c) Chocolate Cove and Cummings Cove performed by A. C. Fountain at a cost of $200 per annum; total, $5,700 per annum.

3. (a) Lord's Cove and St. Andrews—Tenders received: Herbert Calder and Arthur W. Newman, Wilson's Beach, $5,300 per annum; Foster G. Calder and Frank W. Farris, Fairhaven, $5,700 per annum; James Haddon, Lord's Cove, $9,000 per annum; Harvey Johnston, Campobello, $9,100 per annum; (b) Lambertville and Lord's Cove, only tender received, L. Lambert, $200 per annum; (c) Chocolate Cove and Cummings Cove, only tender received, A. C. Fountain, $200 per annum.

RITCEY BROTHERS, RIVERPORT

Mr. LADNER:

How much money, if any, has been paid to the firm of Ritcey Brothers of Riverport, Lunenburg County, in the years 1922 and 1923, by the Department of Public Works and for what services?

Hon. Mr. KING (Kootenay): In the Fiscal Year 1922-23, $6,850.08 was paid for coal for Dredge No. 5.

CANADIAN NATIONAL RAILWAYS —VANCOUVER

Mr. McQUARRIE:

1. Under what arrangement is the Canadian National Railway operating over the Great Northern Railway tracks between New Westminister and Vancouver?
2. Is it proposed that such arrangement shall be permanent or are steps being taken to provide the Canadian National with its own right of way into Vancouver?

Hon. Mr. ROBB: (For the Minister of Railways and Canals):

1. The arrangement is by running rights over the Great Northern tracks between the north end of the bridge over the Fraser river, at New Westminster and the Canadian National property at False creek, Vancouver.
2. No decision has been reached as to this by the management.

ACADIA CONTRACTORS, LIMITED

Mr. LADNER:

How much money, if any, was paid by the government to the Acadia Contractors, Limited, of Halifax, Nova Scotia, during the years 1922 and 1923, for dredging at Lunenburg harbour, by their dredge, the New Brunswick?

Hon. Mr. KING (Kootenay): $37,480.76 was expended in the summer of 1923. No expenditure in 1922.

BELLEISLE CREEK POST OFFICE

Mr. JONES:

1. When and for what reason was the location of the Post Office at Belleisle Creek, King's County, changed?
2. How far is the new Post Office distant from the old one?
3. What difference in cost is there between the service from the Railway station to the old Post Office and to the new Post Office?

4. What difference in cost is there between the Rural Route numbers one, two and three, serving the old Post Office and serving the new one?

5. Was James McCreary, a returned soldier, an applicant for the position of Postmaster?

6. Why was McCreary not appointed?

7. Who was appointed to the new Post Office and on whose recommendation was the appointment made?

8. Were any letters or other communications received by the Department in connection with this Post Office from the Prime Minister and Dr. D. H. McAllister, Liberal candidate at the last general election?

9. If so, what are the dates of these letters and what requests were made by the respective writers?

Hon. Mr. STEWART (Argentenil): (For Postmaster General)..

1. Vacancy in office due to death of postmaster on 1st of August, 1923.

2. 2/5 miles.

3. Temporary arrangement at extra cost of $215 per annum. Tenders invited.

4. Rural route No. 1, increase 22.14 per annum, rural route No. 2, increase $24.16 per annum, rural route No. 3, not affected.

5. Yes.

6. (a) Office would not be conducted by Mr. McCreary; (b) District Superintendent's report states Mr. McCreary's location would not be favourable to postal patrons; (c) Not sufficient room in private residence for sortation of mails and separations for rural routes; (d) Location offered by person appointed by Civil Service Commission more central than that offered by McCreary; (e) McCreary had no post office experience whereas the person selected had two years' post office experience.

7. Miss Florence McAfee, appointed by the Civil Service Commission.

8. From Prime Minister, no. From Dr. D. H. McAllister, yes.

9. August 13, 1923, suggesting the appointment of Miss McAfee; November 14, 1923, recommending the appointment of Miss McAfee.

CIVIL SERVICE COMMISSION EXPENDITURE

Mr. BOURASSA:

What was the total expenditure of the Civil Service Commission for the years 1911, 1922 and 1923, respectively?

Hon. Mr. COPP:

Fiscal year 1910-11—Civil Government salary, $17,850.00; contingencies, $13,495.32; total, $31,345.32.

Fiscal year 1921-22—Civil Government salary, $178,264.61; contingencies, $123,657.09; total, $301,921.70.

Classification arrears 1919-20, 1920-21, $5,007.54; bonus allowance, $35,553.08; total, $40,560.62.

[Mr. J. H. King.]

Fiscal year 1922-23—Civil Government salary, $200,219.84; contingencies, $67,607.07; total, $267,826.91.

Bonus allowance $16,233.52.

WELLAND CANAL CONTRACTS

Mr. MILLAR:

1. What contracts, if any, entered into by this government, or its predecessor, for the construction of the new Welland Canal or any section thereof have been cancelled, and for what reason?

2. At what point or points, and for what sums of money has this government contracted for the erection of government elevators since last prorogation of parliament?

Hon. Mr. COPP (for the Minister of Railways and Canals):

1. No contracts for the construction of the Welland Ship Canal were cancelled; four were abandoned under agreement of surrender in the spring of 1918 when work was closed down because of the war. Following the war the work was resumed for a time on a cost plus basis. This was followed by consolidation of certain of the sections and a return to a contract basis.

2. On October 19th, 1923, a contract was entered into by the Department of Railways and Canals for the construction of a million bushel storage annex to the Port Colborne elevator with E. G. Cape & Co., of Montreal, the contract price being $376,000.

NORTH ARM, EXPENDITURE

Mr. LADNER:

1. What amounts of money have been spent by the government of Canada during each fiscal year, on the North Arm of the Fraser river from the gulf of Georgia to the city of New Westminster, from the year 1911 to date, showing separately the amounts spent in dredging and the amounts spent otherwise?

2. On what date, or in what month and year was dredging last done on the North Arm of the Fraser river between the Fraser Avenue Bridge and the mouth of the said North Arm, and what was the cost of the same?

3. Is dredging work now being done on the North Arm of the Fraser river, and if not, when does the Department of Public Works expect the same to start?

4. Has the Minister of Public Works or his department received any requests, and if so, from whom, regarding the necessity of certain dredging to clear out sand bars or other obstructions on the North Arm of the Fraser river which actually interferes with existing traffic?

5. Was an appropriation for dredging on the North Arm of the Fraser river made during the last Session of the House of Commons? If so, how much was the appropriation?

6. Has any portion of the appropriation been expended on the North Arm of the Fraser river?

7. If so, how much, on what dates and what was the nature of works done?

Hon. Mr. KING (Kootenay):

1.—Fiscal Year	Dredging
1911-12	$61,938.82
1912-13	18,375.56
1913-14	89,551.69
1914-15	152,254.26
	312,962.44*
1915-16	226,540.90
	139,203.72*
1916-17	183,127.13
1917-18	87,608.78
1918-19	55,274.35
1919-20	73,431.29
	4,714.00†
1920-21	112,106.86
1921-22	31,574.85
1922-23	23,605.26
1923-24	55,920.63

*On construction of jetty.
†On Geodetic Survey by Interior department.

2. Dredging done between December 25th, 1922 and June 8th, 1923. Cost, $20,041.24.

3. No. As soon as the urgent work in the main river channel is completed.

4. Yes. From the joint committee of the reeves, members of the councils and presidents of the Boards of Trade of Point Grey, South Vancouver, Burnaby and Richmond municipalities.

5. No special appropriation, expenditure charged to general vote—Dredging—British Columbia.

6 & 7. $55,920.63 is the approximate cost of operation of departmental dredge on this work, chargeable to the general dredging vote for British Columbia: April 9-14, 1923; April 24-July 4, 1923; redredging channel to depth of 10 feet at low water and width of 150 feet.

ANNIEVILLE BAR DREDGING

Mr. LADNER:

Has dredging been done lately at the Annieville Bar or near Port Mann, or both, and is the same completed?

Hon. Mr. KING (Kootenay): Yes. Port Mann completed, Annieville Bar under way.

B.C. FISHERIES COMMISSION

Mr. McQUARRIE:

Is it the intention of the government to give effect to the recommendations contained in paragraphs 10, 14, 15, 18 and 25 of the Report of the British Columbia Fisheries Commission, 1922?

Hon. Mr. CARDIN:

Re paragraph 10, it was found after consultation with the Department of Justice that the difficulty could be removed without legislation. This has been done.

Re paragraph 14, special life saving arrangements have been in operation throughout the winter.

Re paragraph 15, no restrictions are placed on the catching of dogfish, and their capture is encouraged; but it has not been decided to pay a bounty for their capture.

Re paragraph 18, matter has been referred to the Biological Board for consideration.

Re paragraph 25, legislation for reorganizing the Biological Board was procured last session, and the Board has been reorganized accordingly.

DARTMOUTH PIER SITE

Mr. BLACK (Halifax):

1. From whom was the site purchased for the pier at Dartmouth, Nova Scotia?
2. What was the price paid for said site?
3. What is the size of said site?
4. How much money was voted at the last session of parliament for the Dartmouth pier?
5. Who had the contract for the said pier?
6. What is the contract price?
7. Is there any dredging to be done in connection with said Dartmouth pier?
8. If so, has the dredging been awarded, and to whom?
9. What is the estimated cost of said dredging?
10. Will the money voted last session complete the pier?
11. Will it pay for the site, pier and dredging?
12. Has the government any waterfront property in Dartmouth near or adjoining the site selected for the Dartmouth pier which would have been available for the purpose without buying the site selected?

Hon. Mr. KING (Kootenay):

1. Messrs. Beazley Brothers.
2. Price agreed upon is $6,802.
3. 2,464 square feet of land and 27,850 square feet of land covered by water.
4. $75,000.
5. The Halifax Dredging Company, Limited, and The Standard Construction Company, Limited.
6. It is a unit price contract estimated at approximately $135,659.64.
7, 8 and 9. No.
10. No.
11. No.
12. No.

MOSER'S RIVER WHARF

Mr. BLACK (Halifax):

1. In what year was the Government Wharf at Moser's River, Halifax County, constructed?
2. Are there any buildings or building owned or controlled by the government on or near such wharf?
3. Is there a wharfinger in charge of said wharf?
4. If so, what is his name?
5. Does he carry on any business there?
6. If so, what premises does he occupy?
7. What rental does he pay?
8. Has the occupant the exclusive right to the property?
9. What amount is paid to the wharfinger annually for salary?

10. What revenue has been earned by this wharf and premises during the years 1922 and 1923?

Hon. Mr. KING (Kootenay):

1. In the fiscal years 1902-04.
2. Yes—two sheds.
3. No.
4. Answered by No. 3.

5, 6, 7 and 8. District Engineer Locke states that these sheds are being used without permission by Mr. David J. Turner for fishing purposes.

9. None.
10. None.

CANADIAN NATIONAL RAILWAYS—HALIFAX COUNTY

Mr. BLACK (Halifax):

1. Was a railway siding constructed by the Canadian National Railways with or without the approval of government, in 1921, in or near Queensland or Hubbards, in the county of Halifax, Nova Scotia?
2. If so, at what date was the work of construction commenced, and at what date was it finished?
3. What is the length of the siding, and what was the cost of it?
4. Is the cost of the siding a public charge in whole or in part? What proportion of cost does the public bear?

Hon. Mr. ROBB (For the Minister of Railways and Canals):

1. No.

2, 3, and 4 answered by No. 1.

REPORTED LOSSES ON EXCHANGE

Mr. MacLEAN (Prince):

Is it a fact that through some carelessness in the Finance Department during the war, that Canada will lose twenty-four million dollars in exchanges?

Hon. Mr. ROBB: The hon. member's question is answered in the negative.

In the settlement of financial matters between the Imperial and Canadian Governments, the question arose as to the rate at which sterling advances to Canada in London would be credited against the Imperial Government's indebtedness to Canada in dollars. Canada advanced a claim based upon the current rate of exchange. The Imperial Treasury officials resisted this. They contended that certain "set-offs" under which by agreement the book debts had been reduced at intervals by wiping off certain amounts of sterling advances against an equivalent amount of dollar advances, were to be regarded as finally settled at the par rate of exchange. They further pointed out that it would have been quite beyond the contemplation of the Treasury to have incurred such a heavy exchange charge, and that the alternative would be to consider the total Canadian advances as a debt to be settled by Britain in dollars when that could be done or when exchange reached par. Negotiations having resulted in failure to reach an agreement satisfactory to both sides, a friendly arbitration was arranged for by the present Minister of Finance (Mr. Fielding) with Rt. Hon. Mr. Asquith as arbitrator, the result of which, namely the award to Canada of $8,199,333 by way of exchange, was announced to the House last session.

CANADA'S WAR EXPENDITURE

Mr. MacLEAN (Prince):

1. What amounts are due to Canada by Great Britain on war account and what amounts, if any, have been paid on same, and how are they classified?
2. What amounts are due Canada by other countries on war account?
3. What are the names of each country, the amounts due and payments made, if any?

Hon. Mr. ROBB:

1. $66,880,496.35 at February 28, 1924, according to the books of the Department of Finance. Credits to the account include the numerous charges and advances, during the war period and thereafter, arising from the financing by Great Britain of Canada's commitments overseas, other amounts determined to be due the Imperial Government by Canada in the adjustment of war accounts and cash payments in dollars, which since April, 1922, have amounted to $62,000,000 on account of principal.

2 and 3. Debts of Foreign Countries: Belgium, $6,709,874; France, $5,730,000; Greece, $8,174,274; Roumania, $23,969,720; Russia, $55,571.

SCRIBE HOTEL, PARIS

Sir HENRY DRAYTON:

With reference to the Scribe Hotel in Paris, the Honourable the Minister of Railways advised the House on June 7, 1923, as follows:

"A syndicate has been formed to take it over. A gentleman is leaving New York, I think on the 15th of June, to conclude the details."

1. What are the names and addresses of the men who compose this syndicate, and of the gentleman referred to as leaving New York?
2. What was the total amount paid by, or on account of, the Canadian National Railways for the Scribe Hotel?
3. What was the total amount paid by the syndicate for the Scribe Hotel?

Hon. Mr. ROBB (For the Minister of Railways): No syndicate exists. London capitalists offered to advance the money up to £700,000, but conditions found to exist in Paris, causing delay, and a heavy depreciation in British currency, rendered it advisable to abandon this method of financing. A company, incorporated under the laws of France, holds the property, and the stock of the company is held by the Canadian Northern

Realties, controlled by the Canadian National Railway Company. A vote to pay for the property is included in the Canadian National Railway estimates.

IMMIGRATION AND COLONIZATION EXPENDITURE

Mr. CHURCH:

What was the amount spent by the Department of Immigration and Colonization during the past four years:

(a) In promoting immigration from the British Isles;

(b) In promoting immigration from the United States of America;

(c) In promoting immigration from the continent of Europe?

Hon. Mr. ROBB:

(a) British Isles. 1920-21, $423,562.92; 1921-22, $302,373.04; 1922-23, $332,610.09; April 1, 1923 to January 31, 1924, $362,278.01; total, $1,420,824.06.

(b) United States, 1920-21, $456,870.41; 1921-22, $419,956,02; 1922-23, $525,363.90; April 1, 1923 to January 31, 1924, $428,488.99; total, $1,830,680.22.

(c) Continent of Europe,1920-21, nil, 1921-22, nil, 1922-23, $51,353.54; April 1, 1923 to January 31, 1924, $78,500.21; total $129,853.75.

SOLDIERS' BONUS

Mr. CHURCH:

1. Is it the intention of the government to continue the present rate of pensions paid to soldiers, and will the existing bonus paid to soldiers to next September be continued?

2. Is it intended to this year turn the said bonus into straight pension?

Hon. Mr. BELAND:

1. Legislation will be introduced in due course providing for the extension of the pension bonus.

2. Answered by No. 1.

ESTIMATES FOR 1925

Mr. GARLAND (Carleton):

1. Is it true that a serious mistake was made in the preparation of the estimates for the fiscal year 1925?

2. If so, does this mistake involve the compulsory reduction in salary for several permanent statistical clerks during the fiscal year 1925?

3. What steps have been taken to rectify this mistake?

4. Who was the official responsible for this mistake?

5. Has any disciplinary action been taken with regard to this official?

Right Hon. Mr. MACKENZIE KING: There is clearly an error in this question. It is worded: "Is it true that a serious mistake was made in the preparation of the estimates for the fiscal year 1925?" These estimates will be presented to parliament this afternoon.

JAPANESE IMMIGRATION

Mr. McQUARRIE:

1. Has any progress been made in the promised negotiations with representatives of Japan in regard to more effective restriction of Japanese immigration?

2. Has any arrangement been arrived at? If so, what are the details?

3. Is it proposed to modify the existing 'Gentleman's Agreement' between Canada and Japan?

4. Is it the intention of the government to request the Imperial Government to abrogate the Japanese Treaty in so far as Canada is concerned?

Right Hon. Mr. MACKENZIE KING: I think this question will be found answered, in so far as it is advisable to answer it, by the correspondence I placed on the table a few minutes ago.

CRIMINALS PAROLED

Mr. RYCKMAN:

1. Haw many criminals have been paroled or pardoned since the election of the present Solicitor General on October 24, 1923?

2. What are their names, where were they sentenced, and when paroled or pardoned?

3. What was length of each sentence?

4. How much of each sentence has been served?

Hon. Mr. McMURRAY: Some explanation is due with regard to this question. The number of criminals paroled by pardon under the present system is 663. Quite a number of these deal with the remission of fines in liquor cases. As to the other questions asked by the hon. member, I do not think they should be answered. It has been the practice of Ministers of Justice in the past not to answer questions of this kind, and if my hon. friend desires authority on that point I would refer him to Todd's Parliamentary Government, page 651.

Right Hon. Mr. MEIGHEN: I just submit at the moment that what is subject to the confidential reservation are the reports which come from the judges, wardens and the like, and certain correspondence of that character.

Mr. McMURRAY: I may say to the right hon. gentleman that Todd's Parliamentary Government lays it down as sound practice that the question of clemency is one of the high prerogatives of the Crown resting purely with the cabinet. Of course, it is obvious why the particulars should not be given in this case. Everyone will realize that it is hardly fair to a criminal under ticket of leave that he and his relatives should be exposed again to the country by putting these particulars on Hansard.

DR. J. P. MALLOY

Mr. HANSON:

1. Is Dr. J. P. Malloy of Morris, Manitoba, employed by the government or any department thereof?
2. If so, in what department and at what salary or compensation?
3. When was he appointed, and upon whose recommendation?
4. Was he appointed by the Civil Service Commission?
5. If not, under what authority was he appointed?

Hon. Mr. COPP:

1. Yes.
2. Department of Immigration and Colonization; $200 per month plus expenses for a period not to exceed three months.
3. December 26, 1923, upon the recommendation of the Minister.
4. Appointed under Section 23 (4) of the Civil Service Act, 1918 as amended.
5. Answered by No. 4.

CHICAGO DRAINAGE CANAL

Mr. CASGRAIN:

1. Is the government aware that the government of the United States intends turning the Chicago Sanitary Canal into a canal to connect the Great Lakes to the Mississippi?
2. Is the government aware that such a project would tend to lower the level of the St. Lawrence waterway?
3. Has there been any correspondence exchanged between the governments of Canada and the United States on this subject?

Hon. Mr. CARDIN:

1. The Government of Canada is aware that there are several bills before Congress for appropriations to build a nine-foot waterway from the west end of the Chicago Sanitary District canal to the Mississippi river, but, until appropriations are made, work cannot be started.
2. Yes.
3. In connection with this waterway Canada has filed objections to any diversion of water from the Great lakes.

FEDERAL APPEAL BOARD

Hon. Mr. MANION:

1. How many final decisions have been given by a quorum of the Federal Appeal Board?
2. Does the claimant receive a copy of the final judgment signed by the respective members of the quorum outlining its reasons for allowing or disallowing the appeal?
3. If not, is this final judgment with reasons for the decision signed by the individual members of the quorum and placed on the man's file where it can be seen by the man or his representative?
4. Will the Minister furnish a copy of the final judgments to date, outlining the reasons for the decision and signed by the respective members of the quorum of the Federal Appeal Board in the cases where the claim of the man was rejected and the decision of the Board of Pension Commissioners and Soldiers Civil Re-establishment upheld?

[Mr. McMurray.]

Hon. Mr. BELAND:

1. Twenty-nine.
2. P.C. 212, February 8th, 1924 provides in clause 3 (c) that the formal judgment shall be signed by the Chairman or presiding Commissioner and the Secretary of the Board. Such judgment may or may not contain reasons for allowing or disallowing the appeal. The claimant receives a copy of the judgment.
3. Answered by No. 2.
4. Yes, if a motion is placed on the Order Paper for the production of papers and providing that the judgments do not contain personal information of a confidential nature, which would be prejudicial to the interests of the appellant.

PENSION APPEAL CASES

Mr. JONES:

1. What is the total amount of pension paid up to March 15, 1924, inclusive, by the Board of Pension Commissioners on all appeal cases where their decisions have been reversed by the Federal Appeal Board?
2. What is the total amount of pension up to March 18th, 1924, inclusive which would have been paid by the Board of Pension Commissioners on all appeal cases, if the final decision of the Federal Appeal Board had been in favour of the claimant instead of upholding the decision of the Board of Pension Commissioners?
3. What are the names, salaries, and hours per day devoted to duties of the Soldiers Advisers appointed under the amended legislation of 1923?

Hon. Mr. BELAND:

1. $7,402.24.
2. Information not available. The pension payable in any case is determined only after assessment of the disability by the Board of Pension Commissioners upon receipt of a decision of the Federal Appeal Board in favour of a claimant.
3. (a)

Name	Monthly Salary
Askwith, Chas., Ottawa	$150 00
Boudreau, C. H., St. John, N.B.,	150 00
Bowler, J. R., Winnipeg, Man.	300 00
Conroy, J. V., Toronto, Ont.	300 00
Fremlin, E., London, Ont.	200 00
Hamilton, H. F., Halifax, N.S.	200 00
Johnson, H. D., Charlottetown, P.E.I.	100 00
Locke, V. J., Montreal, Que.	300 00
MacKenzie, I., Vancouver, B.C.	250 00
Petley, S. G., Calgary, Alta.	200 00
Pettigrew, A., Quebec, Que.	125 00
Rowan, F. J., Regina, Sask.	150 00
Sedger, G. H., Victoria, B.C.	200 00

(b) Soldiers' Advisers are employed on a part-time basis, their hours are not fixed but are regulated by demands made upon them by claimants.

INDUSTRIAL REQUIREMENTS

Mr. CASGRAIN:

Have the Canadian Manufacturers submitted to the government, a report showing what the different industries of the country need for their establishment, maintenance, progress and development?

Hon. Mr. ROBB: A deputation from the Canadian Manufacturers Association presented to the government on February 23, 1922, statements of its recommendations on such subjects as the French Treaty, Canadian customs appraisal of depreciated currencies, anti-dumping legislation, marking of country of origin on imported goods, taxation, preferential tariff—Australia and Canada—and other subjects relating to trade and commerce.

CANADIAN REPARATION CLAIMS

Mr. KNOX:

1. Who is in charge of the Canadian Reparation Claims for loss by submarine warfare?
2. What salary is paid to him for work in this capacity?
3. What is the total cost of this work to date?
4. How many claims have already been made?
5. On how many of these has a decision been reached?
6. Have any claims been paid? If so, how many and what is the total amount?

Hon. Mr. COPP:

1. The Honourable William Pugsley, K.C., LL.D. was appointed by Order-in-Council (P. C. 165) dated 13th March, 1923, under the provisions of Part I of the Inquiries Act, Chapter 104 of the Revised Statutes of Canada, and Amending Act, Chapter 28, 2 George V., a Commission for the purpose of determining whether claims by Canadians for reparation come within the categories referred to in the First Annex to Section 1 of Part VIII of the Treaty of Versailles, and the fair amount of such claims, and to make such findings as may be of assistance to the government in determining which, if any of such claims should be paid and the extent of payment thereof.

2. $9,000 per annum.

3. $21,813.77 (29th February, 1924).

4. 1143 claims have been filed to the value of $42,260,664.83.

5. No report has been made in any one case, although 431 claims to the value of $28,075,559.49 have been heard.

6. No.

EMPIRE CABLE INTERESTS

Mr. NEILL:

1. What are the respective interests in Britain, Canada, Australia and New Zealand in the Pacific Cable?
2. What representatives has Canada on the Pacific Cable Board, what are their names and how were they appointed?
3. Is it a fact that telegraphers appointed by the Board are obtained only in either Britain or Australia?
4. Is the government disposed to make representations to the Board, looking to a just proportion of the appointments being allotted to Canadian citizens, preferably returned men?
5. Will the government advise their representatives on the Board to object to Orientals being employed at the cable stations in Canada?

Hon. Mr. STEWART (Argenteuil):

1. Great Britain five-eighteenths; Canada, five-eighteenths; Australia, six-eighteenths; and New Zealand, two-eighteenths.

2. Lucien T. Pacaud and Sir Campbell Stuart, K.B.E. appointed by the Governor in Council.

3. It is understood that Canadians have been appointed to the staff and that applications from Canadians for appointments are considered by the board

4. The question will be referred to the Canadian members of the board with a request that they make representations for a just proportion of the appointments being allocated to Canadians, preferably returned men.

5. This matter will similarly be referred to the Canadian members of the board.

NET DEBT OF CANADA

Mr. BOYS:

1. What was the net debt of Canada at the end of the following fiscal years: 1919, 1920, 1921, 1922 and 1923?
2. What was the amount of the net debt on March 15th, 1924?

Hon. Mr. ROBB:

1.

	Net Debt of Canada
1919	$1,574,531,032.44
1920	2,248,868,623.79
1921	2,340,878,983.69
1922	2,422,135,801.73
1923	2,453,776,868.74

2. As shown by the books at February 29, 1924, the date of the last balance sheet, $2,410,162,174.71.

QUESTIONS PASSED AS ORDERS FOR RETURNS

FORT OSBORNE BARRACKS

Mr. WOODSWORTH:

1. What are the terms of the contract for cartage for the Fort Osborne Barracks, Military District No. 10, Winnipeg?
2. What is the name and address of the contractor?
3. For what term is the contract?
4. What is the rate per hour for half, one, one and a half, two and three ton motor trucks, and what is the rate per hour for teams?

DEPT. OF AGRICULTURE EMPLOYEES

Mr. SUTHERLAND:

1. What was the total number of employees on pay or allowance connected with the Department of Agriculture on January 1st of each of the years from and including the year 1914 to the year 1924?

2. What was the amount paid out or due in pay or allowance to said employees on the dates and years as above?

SOULANGES CANAL EMPLOYEES

Mr. OUIMET:

1. What are the names, ranks, occupations, ages, date of appointment, addresses of the employees of the Soulanges Canal, and where are they employed?

2. What are the names of the candidates who applied for each of the positions vacated in the above service, and who recommended those who were appointed to fill said vacancies?

3. In what localities were notices posted for application to said positions filled since January, 1921?

4. Who posted the said requests for applications?

FEDERAL APPEAL BOARD

Mr. SIMPSON:

1. What are the names of the members of the Federal Appeal Board, and the date of their appointment?

2. Were the expenses for moving household effects of the members of the Federal Appeal Board paid by the government?

3. If so, what were the amounts of these expenses for each respective member?

4. What is the amount of travelling allowances per day of the members of the said Board?

5. What are the names, salaries and duties of the personnel on the staff of the said Board?

6. What is the total expenditure for the members of the board and their staff, from the date of appointment to March 15th, 1924, inclusive. This expenditure to include salaries of the members of the staff, office rent, office furniture, heat, light, travelling expenses, railway warrants, and personal equipment?

Mr. BOWEN:

1. What are (a) the dates of each and every trip of each respective member of the Federal Appeal Board; (b) the names of the cities and towns travelled to on each trip; (c) the commissioner's and secretarial staff's travelling expenses on each trip; and (d) the names and regimental numbers of the soldiers whose appeals were heard on each trip?

2. What are the total travelling expenses of each respective member of the said Federal Appeal Board from the date of appointment to March 15, 1924, inclusive?

3. What is the number of appeal cases heard by each of said commissioners?

4. How many cases (a) have been heard by one man board; and (b) how many decisions of the Board of Pension Commissioners and Soldiers Civil Re-establishment have been reversed by a one man board?

5. How many of the decisions of the one man boards have been re-appealed by the applicants, the Board of Pension Commissioners or the Soldiers Civil Re-establishment?

DUTY COLLECTED ON SKINS

Mr. SUTHERLAND:

1. What are the respective quantities, values and amount of duty collected, on the importations of calf and cattle skins, also the quantity and value of calf and cattle skins exported from Canada during the years ending March 31, 1920, 1921, 1922 and 1923?

2. What are the respective quantities, values and duty collected on eggs imported, also the quantity and value of eggs exported from Canada, during the years ending March 31, 1920, 1921, 1922 and 1923?

3. What are the respective quantities, values and duty collected on butter imported during the years above mentioned, also the quantity and value of butter exported?

4. What are the respective quantities, values and duty collected on the imports of pork and pork products such as fresh, salted and cured bacon and hams, lard, etc., also the exports of same for the years 1920, 1921, 1922 and 1923?

5. What are the respective quantities, value and duty collected on imports of oleomargarine for the years 1920, 1921, 1922 and 1923?

6. What are the respective quantities, values and duty collected on imports of material used in the manufacture of oleomargarine for 1920, 1921, 1922 and 1923?

7. What are the quantities and values of the exports of oleomargarine for the years 1920, 1921, 1922 and 1923?

Right Hon. Mr. MACKENZIE KING: Stand as an order for return.

Mr. SUTHERLAND: It ought to be easy to secure the answer to this question in the course of an hour or two in the department affected.

Mr. SPEAKER: Of course, there is a rule of the House which gives the government the privilege of answering a question by bringing down the information in the form of a return. This applies in the case of questions involving long answers.

UNOPPOSED MOTIONS FOR PAPERS

VICTORY BONDS—LIABILITY OF BANKS

Mr. STEEDSMAN:

For a copy of all correspondence, telegrams, agreements and other documents, exchanged between any person or persons, or corporations, or banks, and the Department of Finance or any other department of the government, relating to the responsibility and liability of the banks in holding or keeping Victory Bonds issued in favor of private individuals or coporations.

GEOLOGICAL SURVEY

Mr. HANSON:

For a return showing in detail,—(a) A list of all the parties sent out by the Geological Survey in the year 1923; (b) The names of the Chief of each party; (c) The District to which each party was assigned; (d) The names and home addresses of all temporary field assistants; (e) The names of the Universities from which such assistants came; (f) The undergraduate year of each of such assistants; (g) The name and year of graduation and name of each university of each graduate in each party; (h) The special qualifications of each of such assistants; (i) The remuneration and travelling expenses of each.

CEDARS LIGHT

Mr. JONES:

For a copy of all memoranda, correspondence, telegrams, and other documents, relating to the appointment of Light Keeper for the Cedars Light, St. John River, Parish of Kingston, King's County, New Brunswick.

BELLEISLE CREEK POST OFFICE

Mr. JONES:

For a return giving a copy of all correspondence, memoranda and other documents relating to the closing of the post office at Belleisle Creek, King's County, and the opening of a new post office in its stead; and including all information in the possession of the department as to the cost occasioned thereby; also for copy of all correspondence, tenders and other documents in connection with Rural Routes numbers one, two and three, in relation to the closing of the old post office and the opening of the new; and of all correspondence and other records in connection with the appointment of a postmaster at Belleisle Creek.

R. DENORAN, YORKTON

Mr. CAMPBELL:

For a copy of all correspondence, letters and other documents in the possession of the government in connection with a claim held by the government against R. Denoran, of Yorkton, Sask., which claim covers a number of fines collected by him in his capacity as a Justice of the Peace in the province of Saskatchewan.

COAL LEASE 2241

Hon. Mr. STEVENS:

For a copy of all correspondence and other documents referring to coal lease 2241, and all correspondence between J. H. Thornton and the Department of Interior in reference thereto.

KENTVILLE-HALIFAX SERVICE

Mr. MARTELL:

For a copy of all minutes of evidence, documentary evidence, applications, letters, judgments, orders for judgments, arguments of Counsel, and other documents relating or in anywise appertaining to the application to the Railway Commission of Canada by the Dominion Atlantic Railway for leave to reduce railway train services between Kentville and Halifax in the Province of Nova Scotia, and in connection with the hearing of said application in February, 194, by said Board of Railway Commissioners.

YUKON COUNCIL

Mr. BLACK (Yukon):

For a copy of all correspondence between any officials of the Department of Interior, and all other correspondence in possession of the government, concerning the sessional indemnity of members of the Yukon Council, such correspondence being dated since January 1st, 1922.

ST. LAWRENCE RIVER POWER

Mr. CHURCH:

For a copy of all correspondence, papers, applications, agreements, letters and other documents exchanged between the government of Ontario and the Hydro Electric Commission of Ontario and the government of Canada, relating to the construction of a power dam on the St. Lawrence River near the town of Morrisburg for the generation of electric power for the use of the people of the eastern part of the Province of Ontario.

EMBARGO ON PULPWOOD

Mr. HANSON:

For a copy of all Orders in Council passed since the last session of Parliament relating to the question of an embargo on pulpwood, and of all correspondence, telegrams or other documents relating thereto, exchanged between the government of Canada or any member thereof and any person, firm, company or corporation, including the Canadian Pulp and Paper Association or the American Pulp and Paper Association.

J. B. LEVESQUE

Mr. DOUCET:

For a copy of all correspondence exchanged between the Department of Marine and Fisheries and J. Bte. Levesque of Trois Pistoles, Quebec, during the year 1923, and also correspondence between the government and any department of the government of Quebec with respect to the said Levesque.

CANADIAN NATIONAL RAILWAY ACT—REGULATIONS

Mr. MACLAREN:

For a copy of all regulations and conditions passed by the Governor in Council under Section 11, Chapter 13 of the Statutes of 1919, being The Canadian National Railway Act, since the 21st of February, 1923.

DIVERSION OF WATER FROM GREAT LAKES

Mr. CHURCH:

For a copy of all correspondence, petitions, protests, letters, resolutions and other documents exchanged between the government and any person or persons or organizations, or Provincial governments or other public bodies in Canada, protesting against the illegal diversion of the waters of the Great Lakes by the Chicago Drainage Commission and of any and all correspondence with the government of the United States, the International Joint Commission or others on the subject.

CANADIAN NORTHERN BRANCH LINES, ONTARIO

Mr. CHURCH:

For a copy of all papers, letters, contracts, estimates and agreements, telegrams, and all other documents (including the cost of construction) and relating to the abandonment of the C.N.R. line between Orono and Cherrywood and the electrification of the line between Bowmanville and Pickering and for the construction of a national railway between Bowmanville and Oshawa and also between Pickering and Cherrywood joining the C.N.R. at that point, including all reports of the engineers, officials, and other experts of the Canadian National Railways recommending such a duplication of railways and the abandonment of the original C.N.R. line throug Durham and Ontario counties, and of all petitions and other correspondence opposing this duplication and paralleling of existing line.

Hon. Mr. GRAHAM: There is no objection to bringing down correspondence and petitions, and so forth, concerning this situation, but it is deemed to be inadvisable and not in the public interest at the present time, owing to certain negotiations that are in progress, to bring down estimates, agreements, contracts, and so forth. I would therefore ask my hon. friend not to press his motion except as amended.

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

Mr. GRAHAM: If my hon. friend would consult with me I can point out to him that

portion of the motion that should be stricken out in the public interest. To the balance of the motion we would have no objection. We will let the matter rest until to-morrow on that understanding.

Motion stands.

ST. LAWRENCE WATERWAY

Mr. CHURCH:

For a copy of all correspondence exchanged between the government of Canada and that of the United States regarding the carrying out of the joint international report relating to the St. Lawrence Waterway.

Mr. MACKENZIE KING: I think all this correspondence has already been brought down. The first of it was tabled last session, and two or three days ago, I laid on the Table the correspondence that has since taken place. I think my hon. friend will find that the correspondence is all down.

Mr. CHURCH: I think the House is entitled to the correspondence which has taken place between the two governments. The last time a motion for the production of papers on this question was before the House, the Prime Minister brought down two or three letters only referring to the most economic problem before the country. In the dying days of last session the government were asked for the correspondence showing what had been done up to that time, and the reply was made that the time was not opportune to produce it. During the parliamentary recess there must have been considerable correspondence between the two governments on this very important question, and I think the House is entitled to have the information as far as it is possible to obtain it.

Mr. SPEAKER: No debate, of course, can take place on this motion. I understand from the answer given by the Prime Minister that the papers asked for have already been laid on the Table.

Mr. MEIGHEN: I would suggest that the motion be allowed to pass. Even if it involves repetition no harm will result.

Mr. MACKENZIE KING: I have not the slightest objection to the passing of the motion. I simply wish to make it clear that the request has already been met.

Motion agreed to.

MAIN ESTIMATES FOR 1924-25

A message from His Excellency the Governor General transmitting estimates for the year ending March 31, 1925, was presented by Hon. J. A. Robb, (Acting Minister of Finance), read by Mr. Speaker to the House, and referred to the Committee of Supply.

[Mr. Graham..]

CIVIL SERVICE BONUS

Right Hon. W. L. MACKENZIE KING: I mentioned a day or two ago that when the estimates were brought down hon. members would be able to see the intention of the government with respect to the bonus to be given to civil servants. The relevant item will be found on page 61, of the estimates just tabled, under "Miscellaneous", it is item 363, and reads—

Provisional bonus allowance for the inside and outside services of the Civil Service, to be paid to such persons and classes of persons, in such amounts and at such times as the Governor in Council may determine: $3,800,000.

That is $1,700,000 less than the amount which this House voted at the last session for bonus to be paid civil servants in addition to their salaries. The government did not feel, in view of the retrenchment which they are finding it necessary to make and seeking to make, that they would be justified in longer continuing the bonus to members of the Civil Service who are unmarried, and who have no one dependent on them. On the other hand, with respect to members of the service who are married, or unmarried members of the service who have one or more persons dependent on them, it was represented to the government very strongly from many quarters, that to withdraw the bonus in their case pending a revision of civil service salaries might work a considerable hardship. This aspect of the matter was brought to the attention of the government more particularly by the hon. members for Ottawa who, perhaps, more than any other members of the House, are familiar with the circumstances of many members of the Civil Service, and the government have taken carefully into consideration such representations as they and others have made.

With respect to members of the Civil Service other than those who are unmarried and have no one dependent on them, the government proposes, as respects all such as are receiving a salary of $1,200 and under, to continue the bonus at the rate at which it was continued last year. With respect to members in the service receiving a salary of over $1,200 and up to $1,560 inclusive, the government proposes to continue the bonus at the rate of two-thirds of the amount which is being paid at the present time. To those receiving over $1,560 and up to $1,800 inclusive, one-third of the present bonus will be continued. In other cases the bonus will be discontinued.

I should mention as related to this matter of the bonus that the government intends to have an immediate revision made of the sal-

aries of the Civil Service. It is our intention to ask the Civil Service Commission to undertake this work in conjunction with the deputy heads of the government departments and the Audit Board which has been appointed under legislation enacted last session, they will be asked to report to the government what, in their opinion, should be done by way of revision of the salaries of the civil servants. When the report is received, the government will take such action on its recommendations as in the circumstances appear to be warranted and justifiable. I should say also, in connection with this revision of salaries, that the government will seek to have provision made whereby the members of the Civil Service themselves, through their representatives, may appear before the commission and be taken into conference in the matter.

There is a feature that perhaps it is well to mention namely that at the time the bonus was added to the salaries of the Civil Service, there was a great deal of unemployment throughout the country. It was very difficult for persons to obtain ready admission into other employment, should they leave the service. Conditions in that particular have considerably improved. There is the further fact that from the time the bonus was first given, there have been in the case of most of those who are permanent in the service, statutory increases, year by year, which have increased considerably the amounts they were receiving at the time the bonus was first granted. The government realises that this is a very difficult question to deal with, and in announcing what I am at the moment, I am putting before the House what after very careful consideration of the interests of the civil servants and the public interest has seemed to the government the wise course to adopt.

I should mention also that the government intends at the present session to introduce a Superannuation Act. It has been felt that to complete the work of reorganisation of the Civil Service, as this reorganisation has already been undertaken and is being carried on in part by the Audit Board, it was desirable, in order that justice may be done those who are in the service at present and whose services may be dispensed with or who may subsequently enter the service, that a Superannuation Act should be immediately put through. The bill will be introduced in this House at the present session.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Will the Prime Minister say whether this Audit Board is given all its powers under the authority of the act of last session, or has the government vested it with powers under some other act as well as under the act of last session?

Mr. MACKENZIE KING: The act of last session, as I recall it, gives the government power by order in council to extend the powers of the Audit Board in certain directions, or rather to authorize the Audit Board to undertake certain additional duties. Such duties as the Audit Board has had imposed upon it are those given by order in council or under the act as it stands, not by other legislation.

Mr. MEIGHEN: Would the Prime Minister bring down the order in council or orders in council empowering the Audit Board, because if what he says is correct to-day, the announcements in the press are entirely wrong.

Mr. MACKENZIE KING: I will take great pleasure in placing on the Table the order in council to which my right hon. friend refers. As to the press reports, I do not know the particular press reports to which he alludes. If he is referring to his own press, I quite admit that some of the reports are wholly incorrect, but I think the country is now generally in possession of the facts.

Mr. CHURCH: Mr. Speaker, I should like—

Mr. SPEAKER: By tradition of the House, it is customary to permit the leader of the opposition (Mr. Meighen) to ask a question or two, but a statement made by the leader of the House (Mr. Mackenzie King) under these circumstances is not debatable.

LIFE INSURANCE LAPSED POLICIES

Mr. T. L. CHURCH (North Toronto) moved:

That, in the opinion of this House, subject to certain reasonable charges including a certain sum for overhead expenses, lapsed policies of life insurance of companies with federal charters should be returned to the insured, and that in the interests of the insured such confiscatory powers of these companies should be further revised.

He said: The purpose of this resolution is to guarantee to the public the full benefit under all insurance policy contracts. This matter has been referred to by the Department of Insurance of the government in their reports for some years past. My motion would provide that, in the case of lapsed policies there should be a certain return to the insured. It means, not that the whole sum should be returned, but that the sum, subject to reasonable charges, as the resolution says, should be returned to these unfortunates. This motion is to press the government to have parliament look into the recommendations of their own insurance

advisers and to see if they cannot amend the statute accordingly. Last session was devoted very largely to the Bank Act for the protection of depositors, and as regards life insurance, it is not altogether fair to the poorer class that their policies should lapse. These insurance companies take in millions of dollars in lapsed policies, and we seek protection against such confiscatory powers as life insurance companies have at present. The present law is not altogether fair to the man of small means; he is fighting a large corporation. The war has made a great difference in this respect. If you look over the report of the Department of Insurance, you will find that in a table on page 7 the amount is going up from year to year—especially during and since the war—of lapsed policies of people who are not able to pay their insurance premiums and whose policies are taken away from them by law. The amount runs into millions of dollars. Many of these people in days like these are out of work through no fault of their own; many of them are returned men who have been driven to the wall by hard times and the high cost of living, and the first thing to go has been the insurance policy, because the premiums cannot be kept up. As regards the high cost of living to-day, the table speaks for itself; it shows that in comparison with other countries, Canada is at the top of the list. The money held by these companies really consists of funds that rightfully belong to the estates of these unfortunate people, who permitted their policies to lapse after making a sufficient number of annual premium payments to give their policies some insurance value. I would suggest that the law be amended so as to provide that, after a sufficient deduction is made for overhead expenses, the policy holders should have a substantial part of their premiums paid them. The money confiscated by these companies consists of funds which rightly belong to the estates of unfortunate persons who in hard times were driven to allow their policies to lapse, after having made a sufficient number of annual premium payments to give those policies a paid-up or substantial insurance value. Some of the companies are lax in not acquainting the poorer policy holders with the law in regard to lapsed policies. The law provides that after a period of three years a policy holder shall have a claim upon the company in the event of a policy lapsing; but some of the companies are not informing the policy holders of this fact. The Insurance Act, like the Bank Act, needs revision. In the United States the statistics show that in the past twenty-five years policies have lapsed to the extent of $10,000,000,000, and a survey of conditions in Canada should, I think, be made to discover the losses to the working classes in this country from this source. If such a survey were made I believe that a similar state of things would be revealed. The failure of companies fully to advise their policy holders of the value of their policies is responsible in part for this condition. Many persons who have permitted their policies to lapse do not know that such policies have a value if they have been in force for more than three years, and it has been pointed out that the insurance companies, taking advantage of this ignorance on the part of the public, have failed to notify the holders of lapsed policies of such value. I do not say that the companies all do this deliberately; but undoubtedly, through negligence at any rate, the policy holders are made to suffer in this way.

It is only fair, however, as pointed out by the Superintendent of Insurance, to say on behalf of the companies that, as in everything else, there are two sides to this argument. Section 180 of the Insurance Act of 1917 provides for a surrender value on policies of which three or more annual premiums have been paid. Sub-section 4 of this section provides for extended insurance until the cash surrender value is accepted or until the surrender value has been used up. And in the case of a policy lapsing when in force only a short time, both the insured and the company suffer. The policy holder loses the status he has achieved from beginning his insurance policy and acquiring the protection, and the company loses the business before it becomes profitable, as the cost to the company of acquiring new business is often in excess of the first premium. These are the views of the Superintendent of Insurance as expressed in a letter written to myself. He concludes:

> As to the amount of the cash surrender value, it should always be borne in mind that while the policy is being in force the company is liable for the face of the policy which liability is worth something to the insured and the cost of which must be deducted in arriving at the cash surrender value.

In Ontario there has been a great deal of complaint in this direction in regard to provincial companies. Many friendly societies have not been able to make ends meet and have by legislation cut down the amount of the policy and raised their rates, and I would suggest that when an investigation is made into this matter it should embrace the whole subject of insurance in Canada covering both pro-

4 p.m.

vincial companies and those doing business under a federal and provincial charter. In the larger cities the condition is serious, and from the district which I represent I have received many letters from insured persons complaining of the remissness of the companies along the lines I have indicated. The loss ratios by provinces for the year 1923 as compared with the year 1922 show on the whole an increase. In this connection I might read the following statement from the Inspector of Insurance made on the first day of October, 1923:

> The total amount of business lapsed and surrendered in 1922 in Canada amounted to $288,838,320. Five years ago, in 1917, the total new business effected in Canada was $282,120,430. The business lapsed and surrendered in 1922 amounted to 50 per cent of the gross business issued. So long as this high rate of premature discontinuance prevails life insurance will fail to convey the benefits which by its very nature it is designed to convey to the insuring public, and it is to be hoped that investigation will lead to the discovery of the cause of this form of waste and to its ultimate removal.

Many of the companies are being criticized in Canada, and the other day one company was ordered by the department to deposit $50,000 more and additional security for the protection of its policyholders in order to hold up the financial end of the concern. I think there should be a survey made of all the companies before they fail. Who would have suspected before last June that the Home Bank would collapse? According to some of the pamphlets that were put out by the Bankers' Association, people thought it was almost impossible for shareholders or depositors to lose their money. It all goes to show that the whole insurance situation needs a revision in the interests of the insured. The same catastrophe that overtook the Home Bank might to-morrow occur in connection with the insurance companies. There is necessity of a thorough survey of all insurance companies, from the financial and other standpoints for the protection of policy holders. There can be no doubt of its necessity. In the last annual report of the Canada Life, one of the best companies we have in Canada, the following statement appears:

> It is unfortunately unavoidable that some policy holders should through various circumstances find it impossible to continue their insurance, and during the past two or three years these terminations the world over have been aggravated by prevailing conditions. We have not escaped our share of this misfortune but, despite it, we have made the very substantial gain of $51,454,000 in our total assurances, bringing them up to $412,435,000. We have again been favoured with unusually low death losses, reflecting not only a generally good public health but a careful valuation by our selection committee of the lives offered us.

Before I conclude, Mr. Speaker, let me express the hope that the government will see to it that the recommendations of the Superintendent of Insurance be carried out and that in the recess of parliament some independent inquiry and survey be made of the whole insurance situation with regard to the solvency of the companies and from the point of view of their compliance with the law and their whole affairs. If the minister can give me some assurance that this will be done I shall be glad to withdraw the resolution. I suggest, however, that he should endeavour to carry out the very able and very sensible recommendations which have emanated from his own department. The department is a very good one and the report to which I have referred is a very fine report. I hope that the minister will encourage the officials to extend this inquiry and to see to it that the law is enforced and that the smaller policy holders and those whose policies have lapsed get additional protection.

Mr. W. G. McQUARRIE (New Westminster): Mr. Speaker, the mover of this resolution (Mr. Church) has touched upon a very important feature of our business and of our national life. His remarks, I may say, went much further than the resolution goes, and I am inclined to agree with his remarks rather than with the resolution itself.

It is very important that the insurance business should be thoroughly investigated by a committee of this House, just as the banking business should be investigated. The resolution refers to one aspect of the matter, but there are also other features which should be considered. The amount of life insurance done in this country is tremendous and the number of policies in force is very large. I believe that the insurance companies have had a comparatively easy time in getting money for which in many cases they do not give a proper return. One question has been brought to my attention which should, it seems to me receive consideration, and that is in regard to participating policies, as they call them. I am told that in the United States no insurance company is allowed to write both participating and non-participating policies; that is, a company must choose which form of policy it will issue or which form of business it will do. In Canada, however, our insurance companies may write either participating or non-participating policies, and I am told that in the case of non-participating policies the policy holders are in many instances paying money for which they get no return of any consequence; that is to

say, they pay an extra premium for the privilege of participating in the profits of the company but they have no chance in the world of even getting back the amount that they are paying by way of extra premium. If that is so, these insurance companies are taking the people's money for nothing. That of course does not apply to all insurance companies. I think this is a matter which should be thoroughly investigated. I am strongly of the opinion that the subject of insurance is one which should receive the attention of the House, and I suggest that the proper way of doing it would be to refer the whole question of life insurance business in Canada to a proper committee of the House.

Hon. J. A. ROBB (Acting Minister of Finance): The hon. member for North Toronto (Mr. Church) has introduced a very large and a very wide question, that of providing for old age and providing for dependents. It is the duty of the Department of Insurance to protect the insured rather than the companies; to see that ample justice is done to the insured and that his investments are properly protected. There appears to have been some misunderstanding between the whips with regard to the resolutions coming before the House this afternoon. I imagine that a number of hon. gentlemen desire to speak on this question, because everyone is interested in insurance. I have here a memorandum from the Superintendent of Insurance which indicates that he has been trying for some days to reach the hon. member for North Toronto, to find out what information he really desired in connection with the resolution. It would seem—and I gather that the hon. member for New Westminster (Mr. McQuarrie) has the same impression—that the remarks of the hon. member for North Toronto open up a much wider field than that included within the resolution itself. If it is agreeable to him I would move the adjournment of the debate so that we may take the matter up some other day when we may hear from all members of the House who are interested.

Motion agreed to and debate adjourned.

DIVORCE

EQUALITY OF GROUNDS FOR RELIEF AS BETWEEN THE SEXES

Mr. JOS. T. SHAW (West Calgary) moved:

That, in the opinion of this House, legislation should be introduced in order to place the wife on an equality with the husband as regards the grounds upon which divorce may be obtained.

[Mr. McQuarrie.]

He said: Mr. Speaker, the resolution which I present to the House is very narrow in its compass and will not, I think, be the subject of much debate. At the outset I would like to make it abundantly clear that the resolution does not propose in any way to widen the grounds for divorce. I quite realize that many members of the House, and certainly a large number of persons outside the House, have conscientious objections to the granting of divorces, but this resolution aims only to place the husband and the wife upon exactly the same plane so far as the grounds for divorce are concerned.

The law of divorce in Canada has been described as a patchwork law, and I think it has probably been correctly described. I want just for a moment to indicate the situation as I understand it to-day. The federal government has exclusive jurisdiction in matters of marriage and divorce, but it was provided in the British North America Act, by which this exclusive jurisdiction was vested in the federal government, that the laws in force in the various confederating provinces and the courts in existence therein were to be continued until repealed or altered by some competent authority. Then by another section of the British North America Act it was provided that a similar provision should apply to provinces that might subsequently join the confederation. Now under those circumstances it is necessary for one to ascertain the conditions in the various provinces. Nova Scotia, New Brunswick and Prince Edward Island before confederation each had a divorce court operating in those provinces, and those courts are in existence to-day. In Nova Scotia either party to a marriage contract may secure a divorce on the grounds of adultery, impotence, cruelty or consanguinity. In New Brunswick divorce may be secured on the grounds of adultery, impotence or consanguinity; in Prince Edward Island the grounds are impotence, adultery or consanguinity. These courts, as I say, are constituted and organized and are effective to-day so far as granting divorces is concerned. In those Maritime provinces there is no question whatever but that the wife and the husband stand on exactly the same ground so far as the causes for divorce are concerned. Now, in the provinces of Ontario and Quebec, —and with respect to the latter province I speak subject to correction by my legal friends from Quebec,—there are no divorce courts, that is, no courts which have jurisdiction in granting divorces or dissolutions of the marriage tie.

Turning our eyes westward for a few moments I would like to direct the attention of the House to the situation in the four western provinces. Manitoba, Saskatchewan and Alberta each have divorce courts. These courts in divorce matters are governed by the English law as it stood on the 15th of July, 1870. The courts of the province of British Columbia having jurisdiction in divorce matters are governed by the English law as it stood on the 19th of November, 1858. The result of this is that in the four western provinces the Matrimonial Causes Act passed by the Imperial parliament in 1857 is in full operation and effect.

Mr. GRAHAM: That has been amended recently, has it not?

Mr. SHAW: The law of England has been amended, and I shall come to that in a moment. The section of that act to which I wish to draw the attention of the House reads as follows:

> It shall be lawful for any husband to present a petition to the said court, praying that his marriage may be dissolved, on the ground that his wife has since the celebration thereof been guilty of adultery; and it shall be lawful for any wife to present a petition to the said court praying that her marriage may be dissolved, on the ground that since the celebration thereof her husband has been guilty of incestuous adultery, or bigamy with adultery, or of rape, or of sodomy, such cruelty as without adultery would have entitled her to a divorce a mensa et thoro, or of adultery coupled with desertion, without reasonable excuse for two years or upwards; and every such petition shall state as distinctly as the nature of the case permits the facts on which the claim to have such marriage dissolved is founded: Provided that for the purpose of this act incestuous adultery shall be taken to mean adultery committed by a husband with a woman with whom if his wife were dead he could not lawfully contract marriage by reason of her being within the prohibited degrees of consanguinity or affinity; and bigamy shall be taken to mean marriage of any person, being married to any other person during the life of the former husband or wife, whether the second marriage shall have taken place within the Dominion of Her Majesty or elsewhere.

Translated into ordinary simple English this section means that while a husband may secure a divorce from his wife on the ground of adultery, the wife must, in order to succeed, be able to substantiate one of the following charges: 1. Incestuous adultery; 2. Bigamy with adultery; 3. Rape; 4. Sodomy or bestiality. And next we come to the two grounds to which I wish to particularly direct the attention of the House; they are adultery coupled with such cruelty as without adultery would justify judicial separation, and adultery coupled with desertion without reasonable excuse for two years or upward.

That is the English law as it stood in 1870, and those are the grounds only on which a married woman could secure a divorce from her husband. Why was equality denied in England, you may very well ask, at this particular time? Well, the debates of that day indicate that one of the main reasons was that men made the law, and the second reason given was that adultery was considered a more grievous offence against the wife than against the husband because of the possibility of the introduction of illegitimate children into the family. In other words, by this particular legislation the law created a monopoly so far as redress was concerned in the interests of the husband. It is rather interesting, however, to note that even in that day there were staunch advocates of equality between the husband and the wife. Lord Lyndhurst, in a very able address in the British House of Lords, presented the view for equality, and may I be permitted just for a few moments to read to the House the statements of Mr. Gladstone in that debate. Mr. Gladstone himself was conscientiously opposed to the granting of divorces, but he urged equality as between the sexes in these words:

> For my own part I shall always assert the principle of equal rights. It is impossible to do a greater mischief than to begin now, in the middle of the 19th century, to undo, with regard to womankind, that which has already been done in their behalf, by slow degrees, in the preceding 18 centuries, and to say that the husband shall be authorized to dismiss his wife on grounds for which the wife shall not dismiss the husband. If there is one broad and palpable result of Christianity, which we ought to regard as precious, it is that it has placed the seal of God Almighty upon the equality of man and woman with respect to everything that relates to these rights: and I will offer the utmost resistance to any attempt to induce this House to adopt a measure which, I believe, would lead to the degradation of woman.

Now how does the legislation work out in actual practice in the four western provinces? As I have already pointed out in order to secure a divorce the woman is called upon to prove something more than the man is called upon to prove. She must in addition to adultery prove legal cruelty or she must prove desertion. Now one naturally questions the meaning of cruelty. If one were to examine the dictionary one would ascertain that it means inhuman treatment, or a disposition to inflict unnecessary pain or suffering on others, but in its legal sense the word has an altogether different meaning. I want to read from a judgment of the Appellate Court of Ontario which gives in a very few words the exact legal definition of cruelty.

> To establish cruelty one must show treatment likely to produce or which produces physical illness or mental distress of a nature calculated permanently to affect her bodily health or endanger her reason, and that there

is reasonable apprehension that the same state of things will continue.

These words are taken from a decision of the Appellate Court, in 1920. It is rather interesting to note, however, that Chief Justice Meredith, while he reluctantly agreed with the decision added these significant words:

The law is not in accord with modern views as to the relations between husband and wife. That it is such is to be deplored. Her life may be made a veritable hell upon earth and she is without remedy if robust enough to suffer it all without impairment of her physical health or her mentality.

Mr. MARTELL: Is it not a fact that in several of the provinces where there are divorce courts the majority of judges, although cruelty is given as a ground for divorce as well as adultery, interpret cruelty to mean adultery?

Mr. SHAW: No, cruelty is never interpreted to mean adultery. I presume my hon. friend means that perhaps the courts, upon finding adultery presume cruelty. I take it that, perhaps, is what he means by his question. If my hon. friend will listen to these few instances I propose to quote he will see that his view is not the interpretation which the law bears in the various cases I wish to mention. In an Alberta case cited as B. vs. B. and found at page 894 of Volume 3 of the Weekly Western Reports for the year 1919, Mr. Justice Scott, now Chief Justice Scott, held that—"the fact that on one occasion a husband came home drunk and called his wife vile names before other people did not constitute legal cruelty sufficient together with acts of adultery to entitle her to divorce, the admitted adultery alone not entitling her to divorce."

In the 1921 case of Torsell vs. Torsell, reported at page 200 in 16 A.L.R. Chief Justice Harvey in giving the judgment of the appellate court used this language:

It has been accepted in England that legal cruelty to support a wife's claim must be such as to cause danger to life, limb or health present or future. There may be much room for dissatisfaction, but that is a matter which can be easily and effectively cured by the legislature if it desires.

In that case untrue charges of infidelity were made publicly by a husband. In Saskatchewan I find the case of Moon vs. Moon in the year 1913, reported in 6 S.L.R. at page 41. In that case the husband accused his wife, in the presence of a thirteen-year-old daughter, of adultery and under circumstances greatly aggravating the offence. The judge held these facts did not constitute legal cruelty, but he significantly added that he was pleased to have the English authority of Russel vs. Russell with which to justify his ruling. All these cases, I may say, are based upon a judgment in the year 1790 in the Matrimonial and Ecclesiastical court in England, and the latest accepted exposition of the law is the case of Russell vs. Russell, decided in England in 1895 by a 5 to 4 decision of the House of Lords. British Columbia courts afford some instances of similar rulings. In Walsh vs. Walsh, reported at page 482 in 20 B.C.R. in the year 1914, it appears that the wife stated that she became nervous because her husband kept a razor and sharp knife under his pillow in the bed where both slept. The husband stated that he wished to protect himself. The wife asked —I am quoting from the record—"Why do you want to protect yourself?" To which the husband answered, "I thought you might do me some harm while I was sleeping." The court held that legal cruelty was not established, that mere nervousness was not sufficient, and that the wife had not stated that she feared acts of violence, or that the weapons were kept by him for that purpose.

Let me also quote the Manitoba case of Dorset v. Dorset, decided in 1921 and reported in 57 D.L.R. at page 636. In that case the husband's adultery in his own residence was clearly proven. The court held that the husband's adultery in his own residence, where his wife stayed during a period of convalescence, did not constitute legal cruelty entitling her to divorce because the evidence did not show that her health was thereby impaired. In that case Chief Justice Mathers used this language:

Respondent's conduct in brazenly committing adultery with a paramour without any attempted concealment and in utter disregard of all decency no doubt constituted cruelty in the popular sense but not in a legal sense.

I am not stating these cases for the purpose of criticizing the courts, because I think the courts have followed precedents and have given, in my humble judgment, correct interpretations of the law. I do so, for the purpose of showing the difficulties that a wife labours under in the four western provinces when she seeks to establish her right to divorce, even where adultery on the part of her husband is admitted. Nor is that all. The courts require that the cruelty should be corroborated, and if anyone questions that I would refer them to the English case of Judd vs. Judd, which was decided in the year 1907 by the probate division in England. Now, it is seldom that the husband commits either adultery or cruelty in public, and if when adultery is committed the wife must have cor-

roborative evidence to prove the cruelty then you can understand the difficulty and the tremendous handicap under which she, in my judgment, wrongly labours. On the other hand suppose the wife, in addition to proving the adultery, does not rely upon legal cruelty but is forced to rely on the ground of desertion for two years and upwards. Hon members will note that the statute reads:

Desertion for upwards of two years without reasonable excuse.

Now, the words "without reasonable excuse" afford a very wide latitude for a husband to escape from the consequences of his conduct. The situation then, Mr. Speaker, is clearly this—that a husband may indulge in every variety of infamy connected with adultery, he may use every refinement of cruelty short of legal cruelty, and he may violate every human law, and yet escape the proper and legitimate consequences of his act. That is the situation, in short, in the four western provinces. Of course it may be urged that parliament grants divorces. That is quite true. The parliament of Canada does grant divorce, and applicants before this parliament stand on an even footing. But I need only point out, that if one examines the list of applications for divorce from the western provinces you will find comparatively few. The initial expense—the fees totalling something like $210—is of itself a considerable deterrent. To that must be added the expense of attendance in the city of Ottawa; the expense of the attendance of witnesses in this city perhaps for longer or shorter periods; and the result is that so far as the parliament of Canada is concerned it is practically inaccessible to women who contemplate applications for divorce.

Mr. MARTELL: I do not want to be interrupting my hon. friend, but I am interested in this matter, too. We have our divorce court in Nova Scotia, and New Brunswick has its divorce court, and I think what my hon. friend is advocating already obtains in both these provinces, and possibly in British Columbia. I think of late it has been decided that the new provinces in the West have the right to grant divorces without the applicants coming to parliament, and under the rules in force here I understand that women are on an equality with men. Now, what my hon. friend is advocating is that these rights be conferred on the courts of the provinces of Alberta, Manitoba and Saskatchewan, divorce being a matter of federal domain in those provinces.

Mr. SHAW: Quite right.

Mr. MARTELL: In the final analysis, if these rights are transferred to the provinces the whole thing becomes a matter of procedure in the provincial courts.

Mr. SHAW: No, it is not a matter of procedure in the courts, because the exclusive jurisdiction in these matters rests with the parliament of Canada.

Mr. MARTELL: I understand that.

Mr. SHAW: And unless the parliament of Canada legislates, the applicants for divorce must labour under the difficulties found in the Matrimonial Causes Act of 1857, at least so far as the four western provinces are concerned.

Mr. MARTELL: The parliament of Canada has no right to take away from us the right we had before confederation.

Mr. SHAW: Quite right. I mentioned that in opening. The British North America Act protects the rights of the Maritime provinces and other provinces in that regard. The Matrimonial Causes Act of 1857, by which our four western provinces are governed now, is not now the law of England. In the year 1912 a very representative commission was appointed in England for the purpose of going into this whole subject of divorce, and it made a report to parliament. It is a very comprehensive report. The individuals who composed that commission are security enough to show that the whole matter was thoroughly and amply ventilated. They called witnesses from every part of England, and from practically every walk in life, and representatives of every religious denomination. As a result of their report, while they disagreed upon some things, they at least were unanimous on this matter of placing the sexes upon an equality, so far as grounds for divorce are concerned. I wish to take the privilege of reading to the House one or two very short extracts. In the report of this commission I find this statement—

Apart from abstract justice the strongest reason for placing sexes on an equality is that, where two standards exist, there is a tendency to accept the lower for both parties. The social and economic position of women has greatly changed in the last hundred, and even in the last fifty years. The Married Women's Property Act, 1882, has given them a new status in regard to property; they engage freely in business and in the professions, and in municipal, educational and Poor Law administrations, and claim equality of treatment with men. In our opinion it is impossible to maintain a different standard of morality in the marriage relations, without creating the impression that justice is denied to women, an impression that must tend to lower the respect in which the marriage law is held by women.

I suggest that the reasons given there apply with equal force to the conditions in Canada. I will read, in conclusion, the recommendation of that commission. It reads—

> Our conclusion is that no satisfactory solution of the problem which is raised as to the personal relations between husband and wife can be found, except by placing them on an equal footing, and by declaring that, whatever grounds are permitted to a husband for obtaining a divorce from his wife, the same grounds shall be available to a wife in a suit against her husband. It may be safely left to a woman to consider whether she will exercise her rights, and it may reasonably be expected that, as has been proved by actual experience in Scotland, physical, social, pecuniary, and other considerations will have their natural effect, and lead to such rights not being exercised, at any rate in the great majority of cases, without such good and sufficient reason as will meet with the approval of relations and friends of the wife.

Now, actuated by the report of this commission, the English parliament in the year 1923 passed a law amending the Matrimonial Causes Act, and this clause was substituted for the provisions which I have previously referred to:

> 2. It shall be lawful for any wife to present a petition to the Court praying that her marriage may be dissolved on the ground that her husband has, since the celebration thereof and since the passing of this Act been guilty of adultery: Provided that nothing contained herein shall affect or take away any right of any wife, existing immediately before the passing of the Act.

That is all the legislation that this parliament needs to pass on the matter—simply that and nothing more. It will simply place the married woman in the four western provinces on a parity with the female applicants for divorce in the Maritime provinces and before this parliament of Canada. This is the only form in which redress can be given for that injustice. In my judgment justice calls imperatively that this parliament should take some action along the line indicated.

Hon. E. J. McMURRAY (Solicitor General): I find myself in considerable agreement with the sentiments expressed by the speaker who introduced this resolution. He has reviewed the law as it exists in the various provinces of Canada, I think, fairly and reasonably. There exists in the Maritime provinces, as he has said, legislation inherited from the Old Land, that supplies that which he demands on behalf of woman in his resolution. The same exists to-day in the province of British Columbia. In section 5, chapter 67, there is a provision that a woman is entitled to judicial separation for an act of adultery on the part of her husband.

[Mr. Shaw.]

Mr. MARTELL: My hon. friend is differentiating between judicial separation and absolute divorce. It is a different thing.

Mr. McMURRAY: No, I did not attempt to do that. I say she has the right to judicial separation in British Columbia. A large portion of my hon. friend's argument was devoted to the fact that woman found herself in a position where she was obliged to suffer humiliation, degradation and cruelty, that her life in fact was one of constant humiliation and misery; but there does exist, I think, in all the provinces of Canada—at least in the western provinces—a Married Woman's Protection Act, which provides that no woman is required to live with her husband when he is guilty of adultery. She can demand a separation from him and he must support and take care of her and her children; so that the only disadvantage a woman would be under in this case—and undoubtedly she is entitled to have that removed—would be the fact that she could not be married again. But, so far as that is concerned, she is not held down to a judicial separation. The Senate of Canada has always granted bills of divorce on a broader basis than that which was adopted in England. Adultery alone on the part of the husband has been always sufficient for the Senate committee of this parliament to grant a divorce.

Mr. SHAW: Might I ask a question?

Mr. McMURRAY: Yes.

Mr. SHAW: Can the hon. gentleman give the figures indicating the number of divorces granted by the parliament of Canada to applicants from the four western provinces of Canada, say in the period of the last three or four years or ten years?

Mr. McMURRAY: I have had a very brief opportunity of looking up this matter; in fact it only came to my attention this morning, but I think my hon. friend will find himself in the same position that I occupy in being unable to give those figures. How many cases are there where the wife has been refused a divorce on the ground of adultery alone? In nearly all these cases where a woman makes application for divorce, there is, coupled with adultery, cruelty and desertion. Sinclair, in his book on Parliamentary Divorce in Canada at page 2, states:

> Under the British North America Act, Canada obtained a constitution similar in principle to that of the United Kingdom, and within the limits of the subjects assigned to it the parliament of Canada is supreme, and its power is as plenary and ample as that of the parliament of the United Kingdom. While

in the exercise of such power the Canadian parliament has authority to grant divorces for any reason that may seem to it sufficient, still in exercising such authority, parliament is guided by and practically conforms to the principles upon which divorces are granted by the courts of England. This statement is, however, subject to this exception, that in Canada divorces are granted on the application of the wife on the sole ground of adultery, while in England, it is necessary that the adultery should be accompanied by cruelty or desertion, or the husband must have been guilty of incestuous adultery . . .

And so on.

Mr. SHAW: Does my hon. friend suggest that that is the law in England now?

Mr. McMURRAY: I do not, but at the time this work was written, in 1915, that was the law in England. My hon. friend has correctly stated that within very recent years, I think last year, the act was amended so that divorce is treated in England on the same grounds as it is in our Maritime provinces and as it is by the Dominion of Canada.

Mr. MARTELL: Does my hon. friend take the author of that work as an authority when he says that the constitution of Canada is similar to the constitution of the United Kingdom? Does he not know that Mr. Dicey, one of the greatest authorities on Canadian constitutional matters, says that when one says the Canadian constitution is similar to that of Great Britain, it is the greatest piece of official mendacity that obtains?

Mr. McMURRAY: I do not propose to discuss extraneous subjects with my hon. friend.

Mr. MARTELL: It is not an extraneous subject.

Mr. McMURRAY: I am dealing with the question of divorce and not with that of the constitution of Great Britain.

Mr. MARTELL: The hon. member is dealing with an authority.

Mr. McMURRAY: The resolution that my hon. friend has placed before the House is a very important one. It brings into this parliament for the first time in its history, so I understand, a bill dealing with divorce. I may be wrong; I believe there was a bill a few years ago which passed its second reading and died, but before that I know of no such measure ever being introduced into this House. Undoubtedly, the question is so important that I think my hon. friend should have introduced it in parliament in the form not of a resolution, but of a bill with all the details carefully worked out. I do not know what the attitude of the different governments of the western Canadian provinces or the Maritime provinces will be on this. They are exercising the law that they have there, and we have no evidence as to what their attitude may be.

Mr. SHAW: Presuming that I should introduce a public bill designed for the specific purpose outlined in the resolution, will my hon. friend undertake to see that the public bill is disposed of at this session?—in which event I am quite prepared to withdraw the resolution and to have the bill discussed in parliament.

Mr. McMURRAY: I should like to see my hon. friend's bill before I would pledge myself to support it. There are difficulties in the road of a bill of that nature, and seeing that the divorce law has been so long in its present form such changes as my hon. friend suggests should receive very careful consideration. He must recognize in this also that it makes the securing of divorce easier. I believe, however, that as regards practical suffering of women under this act confined to such a small area in Canada and under the relief granted under our Senate divorce rules, there is actually very little suffering. As a general proposition laid down, I find myself pretty well in accord with the remarks of the hon. member who has moved the resolution, and my remarks on this occasion are simply to put the matter in such a way as to show what privileges a woman has at the present time in Canada by reason of the courts that exist, the laws existing in them and by reason of the Senate.

Mr. ROBERT FORKE (Brandon): Mr. Speaker, I had no intention of saying anything in support of this resolution; but after listening to the remarks of the hon. member who has just taken his seat (Mr. McMurray) I felt compelled to say a few words. I listened very carefully to his remarks, and until he finished his last sentence I had no idea where he was going to land. He is in favour of the resolution, and I do not see why he cannot support it at the present time. It is a very simple resolution; it means simply to put a man and a woman on exactly the same footing. If I know anything about the laws of Canada, as regards the criminal laws, civil laws, or any other laws outside of the matter of divorce, I think a man and a woman are very much on the same footing. If a woman commits a crime, she is tried under the same laws and she suffers the same punishment. I cannot understand why in moral

matters there should be any distinction between a man and a woman. I do not want to pose as a Puritan; but I think, simply as a matter of justice, this change should be no longer delayed. An hon. gentleman who spoke a little while ago said that this matter has been a long time in abeyance, so why bring it up at the present time? If it has been a long time in abeyance, the quicker it is brought up the better, and the quicker the matter is solved the better for everyone concerned. Often while reading some of these cases in the newspapers, I have felt myself burning with indignation at the injustice women were suffering in this respect, and I hope this matter can be successfully settled in the not far distant future as regards the four western provinces.

Mr. L. H. MARTELL (Hants): Mr. Speaker, I did not intend to intervene in this debate, because in Nova Scotia we have a divorce court which we had and enjoyed prior to the advent of confederation. I do not believe any measure should be pursued which makes divorce easy. I need not refer to the scriptural admonition that says:

> Whosoever shall put away his wife, saving for the cause of fornication, and shall marry another, committeth adultery; and whosoever shall marry her that is divorced, committeth adultery.

It is very hard for a member to sit in the House of Commons and to find that his religious and also conscientious views regarding divorce are abused, because many of us are entirely opposed to the principle of divorce. I, therefore, believe that divorce should not be made easy; but as regards the resolution of the hon. member for West Calgary (Mr. Shaw), I think it is absolutely fair. If we are going to have divorce in this country, if we must have it thrust upon us, there is no reason whatsoever why there should be a distinction between a man and a woman as regards the grounds for divorce. As I understand the argument of the hon. member for West Calgary, he says that the divorce courts in the West came into existence a few years ago, and they find that to-day the women in the three western provinces are not on an equality with men as regards reasons for divorce. His object is that this parliament, which alone has control over marriage and divorce, shall bestow upon the courts of those provinces the right to give woman equality with man in regard to the reasons for securing divorce.

As I have already said, we in Nova Scotia have always had an equality in relation to men and women on this particular question. I believe there are three grounds in the province on which divorce may be secured. The law in Nova Scotia is based on the old English law and I believe that our people would resent any extension of it by providing further grounds for divorce. The three grounds I have mentioned are adultery, cruelty and impotence, or inability to consummate the marriage vow. Fortunately for us, the judge in divorce has always interpreted cruelty to mean adultery: In other words, the desire is to restrict as far as possible the grounds for granting divorce in that province. To me it is a matter of great delight to find that the court so interprets this particular law. What I think my hon. friend from West Calgary (Mr. Shaw) is asking for is that the people of the provinces of Manitoba, Saskatchewan and Alberta shall have the right to grant divorce to women on exactly the same grounds as divorce is granted to men. I have not followed the laws in those provinces and therefore I am unable to say what the law in this particular is in that section of the country. However, I am prepared to take my hon. friend's statement in this regard. Even if the hon. member is wrong in his interpretation of the law I feel that nothing is to be lost by the parliament of Canada extending that power to those provinces. If we are going to have divorces, then in the name of everything that is good, in the name of everything that is equitable, in the name of everything that is fair, let us confer upon the courts of the land the power to act in this matter so that those who want divorce may be able to go to those courts, where evidence can be properly adduced and these matters be decided upon, instead of having the parties come to Ottawa and the cases discussed in parliament. If we are to have divorces, I say, let the courts decide these questions Let us legislate on all other matters, but let us try as far as we can to keep the marriage vow inviolate.

Mr. S. W. JACOBS (George Etienne Cartier): Coming as I do from the province of Quebec, where divorce and rumours of divorce are very rarely heard, I could well afford to allow this resolution to pass without any remarks on my part. But inasmuch as this is a matter that concerns the parliament of Canada, a federal matter, I feel it is only right for me to rise in my place and declare that I am fully in agreement with the statements of the hon. member for West Calgary (Mr. Shaw) on the resolution he has introduced to-day. I could not help thinking, while the discussion

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was proceeding on this question, that if the parliament of Canada were only to adopt the old Levitical law there would be no question at all about the rights of wife and husband. But I am afraid this will not be done, at least in my day and generation.

I have always been in favour of perfect equality between the sexes both in regard to law and in all the relations of life. Now, why is it that we have a law declaring in favour of the man and against the woman, not only in this particular case but in many other respects? I will tell you: It is because the laws have been made by men. And I have no doubt that if women had made those laws they would have had a section similar to this declaring in favour of the woman against the man. Now that women have the right to sit in this House, I think we ought to recognize the advisability of making these changes as quickly as possible, before the ladies take the bit in their teeth, so to speak, when they get into the majority in this House, and make it very hard indeed for us. The law which my hon. friend from West Calgary referred to, strange as it may seem, had its origin under the old Roman system. Under that system there was one law for men and another for women; there was one law for the Roman citizen and another for the stranger. This practice found its way into the civil law and the canon law in all European countries, and that explains why it was the law in England for hundreds of years. After the French Revolution the Code Napoleon changed the system; it is declared in the Code Napoleon, which is now the civil code of France, that women and men stand on an equal footing in the matter of divorce. Let me read to you the law of the province of Quebec. You will understand that there was never any revolution in the province of Quebec; that is to say, when the revolution in France took place Quebec had already become part and parcel of the British Empire. Here is the law of the province of Quebec:

> A husband may demand a separation on the ground of his wife's adultery, and the wife may demand a separation on the ground of her husband's adultery, if he keeps his concubine in common habitation.

That is the law in Quebec to-day. In order that the wife should obtain a divorce from her husband she would have to show that the lady who lived under his protection was living in a domicile or home to which she the wife, had the right to repair if necessary. It is not necessary that he should bring the woman into the house where the wife lives; if it is shown that he has provided a habitation reserved especially for the lady upon whom he confers his favours, then and only then has the wife the right to obtain a divorce. That would seem to be the law in the western provinces. My hon. friend the Minister of the Interior (Mr. Stewart, Argenteuil) protests that it is not.

Mr. MARCIL (Bonaventure): I think my hon. friend used the wrong word in referring to the law in Quebec. There is no divorce in the province of Quebec.

Mr. JACOBS: That is right; we have no divorce in Quebec. But in order to obtain separation from bed and board the conditions are as I have cited them. I am one of those who believe with Hamlet:

> Why, let the stricken deer go weep,
> The heart ungalled play;
> For some must watch, while some must sleep:
> So runs the world away.

I believe that both "must watch" and both "must sleep", but I am not in favour of one watching and the other sleeping; and for that reason I support the resolution, which I trust my hon. friend from West Calgary will introduce in the form of a bill. If he so introduces it I shall have much pleasure in voting for it.

Mr. W. G. McQUARRIE (New Westminster): I am inclined to agree with the Solicitor General (Mr. McMurray) in one particular; I think it is asking a great deal to ask the House to pass a resolution of this kind which must be in more or less indefinite form, as indeed the present resolution is. It would be much better if the hon. member for West Calgary (Mr. Shaw) would introduce a bill setting forth the changes which he desires to have made in the law. It seems to me that the Solicitor General and the hon. member for West Calgary almost got together on this question, but that there was a misunderstanding. I take it from what the mover of the resolution said that he desired an assurance from the Solicitor General that the bill which he would draft and which he was prepared to submit to the House would not be sidetracked, as so many bills have been, during previous sessions. He did not ask that the Solicitor General support the bill; he simply wanted the Solicitor General's assurance that the bill would be dealt with during the session, and I think that the Solicitor General might very well give that assurance.

Another statement was made by the hon. Solicitor General with which I am certainly not in accord. He said that the women of the western provinces have really no complaint because they could come to the Senate

and get a divorce just as the men could and on the same grounds, without the necessity of proving desertion or cruelty. It is quite true—

Mr. McMURRAY: May I interrupt my hon. friend? I think he has misunderstood me. What I endeavoured to convey, whether I did it well or not, was that their situation was considerably modified by reason of the Married Women's Protection Act, and by reason of the fact that they could come to the Senate and secure a divorce. I did not say it was complete alleviation, but that it was a modification.

Mr. McQUARRIE: The Married Women's Protection Act has nothing to do with this matter. With regard to the married women of the western provinces having the right to come to Ottawa to secure a divorce, I may say that there have been a few cases where men and women have come from the West for that purpose. Last session a petition was presented by a woman who nominally resided at Vancouver, but who now I think, is temporarily in the Old Country. But these cases are very rare indeed, and the reason is obvious: the expense involved is prohibitive. People residing in British Columbia, for instance, can only in a few cases take advantage of the Senate procedure—that is, in cases where the petitioner has ample means. For my part I do not think that divorces should be granted by the Senate at all; it is not the proper way of handling the matter. All applications for divorces should be made to the courts, and there should be uniformity in regard to the granting of divorces. That suggestion has been discussed during previous sessions and there always seemed to be violent objection to it. I presume that that objection was considered as well founded in the quarters from whence it came, but my point is that all matters of divorce should come before the courts; the petitioner should not be forced to come to Ottawa.

In regard to the arguments adduced by the hon. member for West Calgary (Mr. Shaw), they are unanswerable so far as they suggest that there should be the strictest equality as between man and woman and that the grounds of divorce should be the same in both instances.

Mr. ANDREW McMASTER (Brome): Mr. Speaker, there appears to be little difference of opinion as to the law between the hon. member for West Calgary (Mr. Shaw) and the Solicitor General (Mr. McMurray). The Solicitor General suggested that the member for West Calgary should introduce this matter into the House in the form of a bill, and the member for West Calgary approved of the suggestion, provided that the Solicitor General would give an undertaking, not that the bill should pass, but that ample opportunity should be given for its consideration. To that the Solicitor General said that he would like to see the bill first. Well, whether the bill is a bad bill, a poor bill, or an ill-drafted bill, certainly it would be a bill touching an important matter which should merit the attention of the House, and I think the Solicitor General might well undertake that if the matter be brought before the House again in the form of a bill, that bill will receive consideration this session. That would close the matter for the time being and allow us to proceed with other business.

In support of this suggestion let me just make these observations. I can well understand that there are men in this House who, through religious training or conscientious objection, believe that divorce should under no circumstances be granted. That is a perfectly reasonable position to take. It is not my own position, but that makes no difference; it is a position which may be assumed by reasonable persons who believe that it is better that some unhappily married people should "dree their weird" rather than that divorce should be introduced. But, after all, we have divorce in this country; and that being the case it seems to me that we should have divorce on the most even basis of equality between husband and wife; that a man should be liable to be sued for divorce for precisely the same reasons as apply in the case of a woman.

Mr. LAFLAMME: Does the hon. member believe in the principle of increasing the number of cases in which divorce may be granted or does he believe rather in their restriction?

Mr. McMASTER: No, I would keep the bounds of divorce within a very narrow ambit indeed, but within that narrow ambit I would make no difference between the sexes. I would take the view that within that ambit men and women should stand, as I believe they stand before the Supreme Judge, on exactly the same basis.

Mr. LAFLAMME: Taking the situation as it is to-day, again I would ask the question: Does the hon. member for Brome favour an increase in the number of cases in which divorce is granted, or does he favour a restriction of the number?

Mr. McMASTER: I do not wish to see divorces increase, but if through an application of even-handed justice divorces should increase, I believe that the necessity for even-handed justice is a greater necessity even than the artificial restriction of divorce.

The parliament of Canada grants divorces by special private acts. We grant them to men and women without distinction, men and women being subjected to precisely the same law. I understand that in Nova Scotia, where divorces are granted under provincial enactment, the law is equal between the sexes. In certain of the western provinces the law is not equal between the sexes, and that is the inequality and the injustice which the legislation shadowed forth in this resolution would cure. Can there be any opportunity for difference of opinion between fair-minded people in this House, whether they agree with divorce or not? Cannot the Solicitor General give the undertaking? Cannot the member for West Calgary introduce his bill? If that is done and the bill comes before the House for consideration the matter could be more adequately dealt with.

Mr. E. GUSS PORTER (West Hastings): I cannot say that I disagree in any particular with the subject of the resolution before the House, nor can I say that I would be in favour of such a bill as the hon. member may see fit to introduce until I have had an opportunity of examining it. But it does seem to me strange and rather an unusual condition of affairs when we examine the jurisdiction of the different provinces in this matter and the law that prevails to-day, and it seems to me that some remedy should be afforded, and that at once. We have in one province a certain law, interpreted in a certain way; in another province we have another law, interpreted in a different way; and in the province of Ontario we have no divorce law at all. Now, that seems to be an anomaly. We are all one people, living under the same general jurisdiction, and a man and a woman when they enter into the marriage contract undertake similar obligations, and I do not see why there should be any discrimination between the rights granted to a husband and those granted to a wife. It is an anomalous condition where we have one law in one province administered in a certain way, and another law in another province administered in a different way, and another province with no divorce law at all. That whole situation might very well be cleared up and one general law passed, saving, of course, those people in our Dominion who are entirely opposed to the granting of divorces under any circumstances—one general law which would meet the whole situation, and under which the courts of the different provinces would have the same jurisdiction and the grounds upon which divorce could be granted should be clearly defined by Act of Parliament. Then, it seems to me, the rights of the two parties, the man and the woman, would be properly protected.

Hon. CHARLES MARCIL (Bonaventure): One of the greatest difficulties which the Fathers of Confederation had to contend with when the British North America Act was drafted was to overcome this question of divorce. Confederation was a union of provinces, and there was a strong opinion against divorce in both the old provinces of Ontario and Quebec, as there is to-day, not only among Roman Catholics but among Protestants as well. The spectacle we have witnessed here in the last few years, together with what is going on in the United States, should open the eyes of some of our thinking people. The Fathers of Confederation accepted divorce because it existed in Nova Scotia and New Brunswick, and a special clause was put into the act by which in certain cases the Dominion parliament could come to the relief of certain people without by that mere fact instituting divorce as a permanent institution in this land. Parliament took upon itself to come to the relief, and every divorce bill passed by this House has those words in its title—"An Act for the relief" of such-and-such a party. In the years when I first attended parliament in this House it was customary when these bills were called—and they were far less numerous than they are to-day—for those who were opposed to divorce to enter their protest and call for a division at every step both in committee and in the whole House.

I know we are not discussing the merits of divorce, because a divorce law exists in certain of the provinces; but divorce was considered at that time a question of civil rights, and I question very much whether a law passed by this parliament would be operative in the province of Quebec, or whether divorce courts could be established in that province, because there would have to be a breach of the understanding of Confederation. However, what we are discussing now is merely a question of putting the woman on an equality with the man. Of course, I am opposed to divorce, always have been, and I am more opposed now than I ever was. In view of what is taking place in the United States and what seems to be

taking place in Canada, but especially in the United States where one out of every ten or twelve marriages is dissolved—

Mr. McQUARRIE: Would the hon. member be opposed to the granting of divorce in any case?

Mr. MARCIL: Certainly, and I have good authority for that.

Mr. McQUARRIE: What reasons has the hon. member?

Mr. MARCIL: You will find them in the Scriptures, in the teaching of our Saviour. The hon. member for West Calgary has asked the Solicitor General to bind himself at the present time to consider a bill which is not yet before the House. I can undertsand that such a request might be made if we were now at that stage of the session where the government, having all the days taken up with its own business, no public bill could be called without its consent. But the hon. member has the privilege now, as every other hon. member has, of introducing his public bill without consulting the Solicitor General, and his bill will be called in the regular way once or twice a week until such time as the government takes the whole time of the House for itself. Being opposed to divorce as I am, and being bound to vote against any measure that will increase the opportunities of divorce—and such a measure certainly would—if any change is to be made in the law in the West I would sooner see the change made the other way, so that instead of increasing the number of opportunities for divorce they would be decreased—

Mr. IRVINE: Would the hon. gentleman be willing to place men on exactly the same basis as women now are with regard to divorce? That would give equality and restriction at the same time.

Mr. MARCIL: I am not in favour of divorce for a man or a woman. I am in favour of a system we have in the province of Quebec, which was described by the member for George Etienne Cartier (Mr. Jacobs) where if a man and woman cannot live together and they have certain valid reasons which are recognized by the courts, they can go before the courts and get a separation from bed and board. No divorce bill ever passes through this parliament without a second clause. Now what does that second clause say? It gives the right to marry again. That is the whole object. For these reasons I do not think it would be fair to ask this House to accept this resolution, and especially to ask the Solicitor General to bind himself to support any bill that is not before the House.

Miss AGNES MACPHAIL (Southeast Grey): I did not intend to speak on this question because I feel it is an injustice against woman brought about by man, and I want the men unassisted by what I say to remove that injustice as I am sure they will do. The member for George Etienne Cartier told the exact truth when he said that the cause of this was that the law had been made by men. When you read the laws, not only this but a great many others, and read history, you will find they are everywhere the handiwork of men, describing their own actions and forgetting that after all they are only half of the great human family.

Mr. LOGAN: The worst half.

Miss MACPHAIL: I would not say that. The hon. member who sits across the way (Mr. Marcil) is anxious that divorces should be made fewer instead of more. I had written on a piece of paper here just the question that the hon. member for East Calgary (Mr. Irvine) asked my hon. friend when he was speaking, that is, would he be willing to put men on the same basis in the four western provinces as women are in regard to divorce? If he is willing to do that it will remove restrictions and result in bringing about equality between the sexes. The very fact that men would take this step to place women on an equal footing with themselves will in itself have the effect of bringing about a feeling of good will. I think men hardly realize how deep in the heart of women is buried the resentment which they all feel against what they know to be an injustice, not only in this particular matter but in other things. That is one of the causes for the great woman's movement throughout the world. Women have felt that only by organizing and influencing public sentiment in this way could they obtain justice for themselves. I therefore ask hon. members to adopt this resolution out of a sense of justice for women and a proper regard for the spirit of fair play.

Mr. H. A. FORTIER (Labelle (Translation): Mr. Speaker, I am entirely opposed to the resolution of the hon. member for West Calgary (Mr. Shaw). I think it is liable to have a pernicious influence because its object is to give freer access to divorce. It is quite evident that by this resolution, we are subject to increase the number of divorces in certain provinces of the Dominion. Con-

sequently, by creating opportunities for divorce cases to be submitted to the courts, we countenance, after all, the theory of divorce. This is why I am opposed to this resolution.

Divorce is certainly contrary to the divine laws and the laws of man. It has proved a great calamity to those countries that have adopted such a means. It is unfortunately the scourge of modern times. It assails at its very root home life which is the foundation of society itself. It is quite easy to perceive to what a disastrous end would lead such legislation opening a wider door to divorce. Canada is a Christian country and the countenancing of divorce would tend to the destruction of the conjugal ties which is a fundamental part of Christianity.

So far as the province of Quebec is concerned, our laws are entirely opposed to divorce. It is true, as it was mentioned by one of the hon. members who spoke before me, that the Civil Code of Quebec recognizes separation on well defined grounds; but the tendency of courts is to restrict as much as possible this recourse and section 185 of the Civil Code lays down the following rule.

Marriage can only be dissolved by the natural death of one of the parties; while both live, it is indissoluble.

A previous speaker recalled rightly, the principles which guided the Fathers of Confederation in matters of divorce. In a conciliatory mood, the British North America Act included a measure to allow divorce in certain cases, but the Fathers of Confederation had not in mind the introduction of this measure so as to favour and pave the way for divorce, neither was this measure introduced with the aim of spreading the demand for divorce. The adoption of this resolution, under the plea of placing the two sexes on the same footing, would tend to generalize the pernicious principle of divorce in our country.

There is no need of recalling the history of the different measures which have been moved in this House since confederation aiming at enlarging on the Act authorizing divorce, under the British North America Act. On all occasions, when this House was requested, for instance, to establish a special divorce court in certain provinces all our statesmen opposed it. Sir John A. Macdonald, himself, in 1875 and later on, rose in this House to declare that there should be no legislation of a nature to facilitate divorce and make it a more common practice in any shape or form. I think we are faithful to those guiding principles—which have always been proclaimed by all statesmen throughout the country—in opposing the resolution of the hon. member for West Calgary.

Whatever movement is undertaken in this country to encourage divorce, it becomes an outrage to the conscience of 2,500,000 Catholics. This minority is required to live in the midst of the majority and it has a right to the respect of its religious convictions. I therefore, strongly oppose this resolution and I still hope that the hon. member for West Calgary will be persuaded to withdraw this resolution; I am convinced that if we are called upon to vote this resolution will certainly be defeated.

Mr. PIERRE F. CASGRAIN (Charlevoix and Montmorency) (Translation): Mr. Speaker before this resolution carries, I think it is the duty of the representatives of Quebec to express the views of that province on this question. We have already heard from the hon. member for George Etienne Cartier (Mr. Jacobs), the hon. member for Bonaventure (Mr. Marcil), the hon. member for Brome (Mr. McMaster), and the hon. member for Labelle (Mr. Fortier). They have respectively expressed their opinion on the subject. The hon. member for Bonaventure (Mr. Marcil) rightly stated that this question is of paramount importance, and dates back to confederation.

He pointed out that, when it was a question of the union of the Canadian provinces, this problem was fully debated and was closely studied by the most eminent men, Sir John A. Macdonald, Sir George Etienne Cartier and all the Fathers of Confederation. If this question was so important on such a memorable occasion as to when it was a matter of the union of all the provinces, to have been a cause of discussion, and even of dissension—which finally disappeared following protracted conferences and a long delay—I think we should not be too hasty in adopting, to-day, the resolution which is before the House. Those who suggested to the hon. member for West Calgary (Mr. Shaw) the introduction of a bill with reference to this question, so that a discussion might take place in a proper way on such an important matter, are quite right.

In the province of Quebec the separation may be granted for certain specific and defined reasons. We have no divorce court. Some years ago, when we were in the opposition, I remember that the ex-member for Kingston, to-day the Attorney General for the province of Ontario, introduced a bill aiming at the establishment of divorce courts

in this country. I recall that all the hon. members of the province of Quebec, even those who do not share our religious convictions, voted against this bill; not that this measure was against their religious beliefs, but because it carried with it a tendency to increase divorce cases, in such a way as to undermine the fundamental basis of society.

The hon. member for George Etienne Cartier (Mr. Jacobs) has pointed out the specific reasons which enable a person to obtain a separation in the province of Quebec. That province has always kept up the French laws and the Code Napoleon, and I am not aware that we have ever found fault against the law as it exists. The hon. member for Labelle (Mr. Fortier), who has just preceded me in this debate, referred to the section of the Civil Code which declares that marriage may only be dissolved by death. We have often heard it said, on many an occasion: When a person marries, it is "For better or for worse."

Mr. MERCIER (Translation): Will the hon. member allow me to ask a question?

Mr. CASGRAIN (Translation): Why, certainly.

Mr. MERCIER (Translation): Will tell us that it is "For better of for worse;" is it not for life?

Mr. CASGRAIN (Translation): It is for life; it is exactly what I say. Indeed, one of the sections of our Civil Code specifies that marriage can only be dissolved by death. The axiom that I have just quoted and to which my hon. friend drew my attention, is a way of expressing oneself. When marriage has been consecrated, if the union is happy or unhappy, the contracting parties must accept the accomplished fact. In a number of cases, notwithstanding that there might have been reasons for which persons might have asked for divorce, they have been well advised to have recourse to separation. As the hon. member for Bonaventure (Mr. Marcil) expressed it this afternoon: often persons who seek divorce have in mind and desire to remarry.

The hon. member for Southeast Grey (Miss Macphail) spoke just now on this subject to vindicate the rights of women and claim justice, equal rights for all. I sincerely congratulate her on the way she unfolded her arguments in the name of all those whom she has the honour to represent, and whose interpreter she is for the whole Dominion, being the only representative of her sex in the Canadian parliament. I congratulate her, I say, for the way she gave the reasons which militate in favour of womanhood, in the western provinces, so that they may be placed on the same footing as man. I congratulate her, but I cannot entirely side with her, because notwithstanding all legislation or law which might be adopted, aiming to grant women the same rights as men, there will always remain a difference, something which will not be identical. This difference exists since the creation of man. There has always existed and there will always exist in woman, an inborn weakness, a marked inferiority. I am not saying this with the idea of depreciating woman, because we have all had mothers. And we know that if woman, notwithstanding her nature and weakness, may render services to her country, we are also aware that she is unable to accomplish as much as men. On the other hand, woman, is looked upon—and with reason—as the angel of the home, as a gentler being than man.

Mr. MERCIER (Translation): Am I to understand from the hon. member's remark that woman is the anget of the home regardless of the religion to which she belongs?

Mr. CASGRAIN (Translation): It is exactly what I have just said: that woman is the angel of the home. However, if woman is the angel of the home and may, in certain circumstances, become the mainstay of a family or organization, it is not less true that according to the laws of nature, woman is differently constituted from man, that is physically.

Mr. VIEN (Translation): Physiologically speaking.

Mr. CASGRAIN (Translation): Yes, physiologically, to use the right expression of the hon. member for Lotbinière (Mr. Vien). In spite of our granting the franchise to woman, in spite of our placing her on the same footing as man, in all spheres of action, notwithstanding that we grant her the same rights and the same privileges, it is not less certain that you will never be able to pass a law making woman equal to man. The latter will always have that superiority which characterizes him and places him at the head of society. And even in the home, although woman is the queen, although she is the one who brings up the children, although she is the one who, very often, through her advice, prevents her husband from blundering, is it not, finally, man that is the master?

The hon. member, Sir, for Drummond and Arthabaska (Mr. Laflamme) has, at the out-

set of this debate, twice, put a question to the hon. member for Brome (Mr. McMaster), and he insisted on the fact that if the resolution of the hon. member for West Calgary (Mr. Shaw) was adopted, and, if a bill based on this resolution was introduced, what would happen in the western provinces, would be that divorce could be obtained still more easily. The hon. member for Drummond and Arthabaska (Mr. Laflamme), with whom I am well acquainted, a man who has a wide knowledge of men, women and the world, one of the greatest criminal lawyers in this country, who understands the human heart and human nature, fears that if we open any wider the door to allow certain persons to dissolve the ties of marriage, it might, perhaps, be to their detriment and to that of society. I am of the same opinion as the hon. member for Drummond and Arthabaska. As I stated at the outset of my remarks, the principle of the present resolution is the same as the one which was at stake in 1919 or 1920, at the time of the debate introduced by Mr. Nickle, then member for Kingston.

If I am not mistaken the hon. member for West Calgary, in introducing this resolution, wishes to obtain relief for certain wrongs which exist in the western provinces. I do not think that he will succeed, not that the religion of the majority of those who sit on your right, Sir, are opposed to divorce; but because I notice that many of the members belonging to a different religion than ours, share in a way our views on this question. I, therefore, ask the House to postpone the continuation of this debate to a future date, so that we may consider the subject in all its phases and from all angles. We cannot and must not, on such an important question, express an opinion lightly, as we are asked to do, for the excellent reason that it might, perhaps, sanction a principle and acknowledge a fact which, next year, might serve as a precedent to ask this House the adoption of another bill or another resolution to still widen the door and give more facility to all who, for very vague reasons wish to obtain a divorce. It gives me much pleasure to proclaim in this House and throughout the country that I firmly believe in the teachings of the religion to which I have the honour to belong, and as for myself as well as for the majority of the members who sit on your right, Sir, I believe that if we were ever asked to vote on a similar measure as the one now before us, we could not act otherwise than the way we did in the past, when a similar measure was introduced in the House, that is to vote against any measure which might appear to be a sanction of the principle of divorce. Again do I state our beliefs would not allow us to do otherwise. It is impossible for us to force our conscience to accept a measure which, looking at it from all angles, would injure the principles of our religion, principles that we have sworn to safeguard when we were baptised and confirmed.

It was stated in the course of this debate, that it would be preferable to have a uniform legislation and create special divorce courts throughout the country, as they exist all over, where the people of the various provinces might register their complaints. It is a repetition of the same thing. These bills or resolutions only aim at opening the door to divorce, making it easier and less costly to obtain. There is a desire to increase the causes of disunion and quarrels which exist in our country instead of decreasing them. I think they exist enough, to-day, without trying to increase them by adopting such a resolution without making a deeper study of the question. I have, perhaps, been repeating the arguments already brought out by speakers who have preceded me in this debate, however, I think, Sir, that we should not adopt the resolution of the hon. member for West Calgary, under the present circumstances, when it is introduced at the beginning of the session, and a great number of members have hardly had time to digest the debate on the Address, and have not had time to carefully consider this question as it should be. I have, perhaps, expressed on this subject views which may seem contrary to those of the hon. members who sit on your left, Sir, but it is permissible to differ in opinion from our colleagues. By virtue of the British principles which govern us, and which have united the Dominion, everybody is free to think and to freely express his thoughts. That is what we wish to do. There lies the reason that I was not backward, a moment ago in stating that any measure or resolution the object of which is to weaken the ties of marriage and to do away with the impediments to divorce, would be legislation of a pernicious character. It is preferable that a few should suffer, rather than spread a plague existing in a number of countries and which threatens to attack us, if we do not strive to restrain and check it. What is happening in the great American republic? The ease with which divorce is granted in the case of many persons having married thoughtlessly.

A great number of soldiers were married in this way in Europe, during the war; immediately after their return to this country, they perceived their error and took the means of obtaining a divorce. And we now witness a great number of broken homes, families separated and persons who will lead a miserable existence for the remainder of their lives, who will make their wives and progeny unhappy and be a desgrace and dishonour to their families.

I would have liked, Sir, to be better prepared to carry on this discussion and I must beg your indulgence and that of the members of this House, and if I have not given to this question the preparation which so important a subject deserves, it is that I did not think that this resolution would be brought up to-day and that we would be called upon to express our views immediately on such a serious subject. This is the reason, Sir, that I have not before me the statistics that I wished to quote and that I have neither, perhaps, brought out the most convincing reasons, the best and strongest arguments for the solving of a problem having such import.

We heard, as I mentioned, a moment ago, a number of the oldest members of this House—among others the hon. member for Bonaventure—who gave their reasons, in the name of their fellow citizens and constituencies which they represent, why they oppose such a measure. For the same reasons, in the name of my fellow citizens of the province of Quebec and the electors of the county which I represent, I, myself, must disapprove of this resolution. Its principle seems to me wrong. I do not think a vote will be taken on it, to-day, and, therefore, when the debate will again come up, I shall be better prepared and shall give stronger reasons to have it rejected. I even question, if the hon. member for West Calgary, wishing to do justice to the citizens of the provinces which he mentioned in his speech, is not rather doing them irreparable injury in the near future? I am fully convinced, Sir, that the resolution of the hon. member will not in any possible way better the situation which he has described.

As it is six o'clock, Sir, I move the adjournment of the debate.

Motion agreed to and debate ajourned.

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

Thursday, March 20, 1924

The House met at three o'clock.

AUDIT BOARD

Right Hon. W. L. MACKENZIE KING (Prime Minister): The right hon. leader of the opposition (Mr. Meighen) asked me yesterday if I would lay on the Table of the House a copy of the order in council giving some particulars with reference to the Audit Board. I have pleasure now in laying the order in question on the Table.

GRATUITIES TO GRAND TRUNK EMPLOYEES

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): The other day I laid on the Table a report with the evidence taken by the commissioner appointed to investigate certain payments made to Grand Trunk officials and others. I wish now to lay on the Table copies of the exhibits that were taken with the evidence.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Can the minister suggest when he will be able to lay on the Table the results, and advise the House of what is being returned?

Mr. GRAHAM: I might say that up to the present time nothing has been done, but I will discuss the matter at greater length at some other time.

Mr. ANDREW McMASTER (Brome): Not a word, Mr. Speaker, can be heard in this corner of the chamber.

Mr. GRAHAM: That adds to the other regrets that my hon. friend has in finding himself over there. I was saying that no money had been returned by certain persons to whom the Grank Trunk had paid gratuities and other sums, and that at some future date I would discuss the matter further.

PENITENTIARIES ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved for leave to introduce Bill No. 12, to amend the Penitentiaries Act.

He said: The first section of the bill is for the purpose of removing any doubt as to the powers of the wardens and other officers of the penitentiaries in preventing the escape of convicts or in recapturing them. In the case of prisoners who were convicted of offences which were felonies the officers have more authority than when the offence was a misdemeanor, and this section is to remove all differences in that regard.

The second section is a consequence of the amendments which were added to the Criminal Code last year by the Senate, and accepted by this House, to give to convicts the right of appeal against their sentence of conviction. It is for the purpose of keeping them in a provincial jail while the appeal is pending, instead of removing them to the penitentiary. The penitentiary, of course, is a place for punishment, it is not intended for the imprisonment of men who are still awaiting conviction.

Motion agreed to and bill read the first time.

FRUIT ACT AMENDMENT

Hon. Mr. MOTHERWELL (Minister of Agriculture) moved for leave to introduce Bill No. 13, to amend the Fruit Act.

He said: The purpose of this bill is to make a slight correction in the French version of the Fruit Act of last session.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

REVENUE, 1921-2-3

Mr. ANDERSON:

What was the revenue received up to the end of February of the fiscal years 1921-22-23, respectively, from the following sources: Sales Tax; Stamp Tax; Income Tax; interest on investments and cash balances; excise on alcoholic beverages and alcohol; from all other sources of revenue of excise taxation; also receipts from the postal service of the country, from the Customs tax and receipts from all other sources of revenue?

Hon. Mr. ROBB:

STATEMENT of Revenue Received by Department of Finance

—	Fiscal Year 1921/22 to Feb. 28, 1922	Fiscal Year 1922/23 to Feb. 28, 1923	Fiscal Year 1923/24 to Feb. 29, 1924
	$ cts.	$ cts.	$ cts.
Customs Duties	94,056,176 27	107,092,994 36	110,620,052 24
*Excise Duties	33,672,886 17	33,048,915 50	35,216,944 22
Excise Taxes—			
Sales	56,325,299 51	81,428,351 45	94,911,891 75
Stamps	2,870,940 09	5,159,939 52	7,998,158 50
Other Sources	8,214,544 54	7,319,247 78	10,498,577 21
Income Tax	75,887,025 18	58,085,008 13	52,768,987 08
Business Profits Tax	20,696,676 18	11,898,978 31	4,460,704 70
Interest on Investments	17,363,500 60	11,572,440 55	8,014,689 52
Post Office	22,168,485 59	25,643,367 12	25,912,158 49
Other Revenue	12,591,234 56	13,627,327 17	13,562,134 69
	343,846,768 69	354,876,569 89	363,964,298 40

*Includes the following amounts of Excise Duties collected on spirits:—
$ 5,756,363 22 $ 7,466,296 24 $ 8,755,924 73

TRUSTS, MERGERS AND COMBINES

Mr. SUTHERLAND:

1. What prosecutions, if any, have been held under federal legislation against trusts, mergers, and combines in restraint of trade in Canada during each of the years 1922, 1923, and 1924?

2. What penalties were imposed during those years for the offences committed by any or all of said trusts, mergers and combines in restraint of trade?

Right Hon. Mr. MACKENZIE KING:

1. During the year 1922 and until August 25, 1923, when a registrar was appointed under the Combines Investigation Act, 1923 the only federal legislation in effect under which prosecutions could be held was the Criminal Code (Sections 496, 497, 498). No prosecutions were held under this Statute. Under the Combines Investigation Act, 1923 no prosecutions have taken place, though complaints informally laid have been investigated, with results which have avoided the necessity of prosecution.

2. Answered by above.

AGRICULTURAL IMPORT DUTIES

Mr. SUTHERLAND:

1. What are the total values, the amount of duty collected, the percentage of duty in relation to the values on imports into Canada during the calendar year ending December 1st, 1923, on the following agricultural products: (a) Agricultural and vegetable products mainly foods; (b) Agricultural and vegetable products other than foods; and (c) Animals and their products?

2. What are the respective and total values of the commodities mentioned in question one for the same period?

3. What proportion of each of the commodities mentioned in question one were imported from the United States?

Hon. Mr. BUREAU:

1. Total value of imports entered for consumption, customs duties collected, and percentage of duty in relation to value, calendar year 1923:

	Value	Customs Duty	Percentage of Duty Per cent
(a) Agricultural and vegetable products, mainly foods	$122,620,442	$20,325,438	16.6
(b) Agricultural and vegetable products other than foods	60,027,606	15,141,270	25.2
(c) Animals and their products	46,423,862	4,555,821	9.8

2 and 3. Total imports and imports from United States of respective commodities mentioned in question 1, entered for consumption in Canada during the calendar year 1923:

(a)

	Total	United States
Fruits	$27,005,094	$23,924,262
Nuts	3,706,084	1,163,933
Vegetables	5,267,475	4,262,024
Grains and farinaceous prods.	13,679,433	10,860,467
Oils, vegetable, food	744,014	283,550
Sugar and products	50,239,380	6,391,621
Cocoa and chocolate	2,780,240	770,372
Coffee and chicory	3,486,989	372,898
Spices	1,136,116	389,214
Tea	12,460,721	65,223
Vinegar	62,870	17,287
Yeast	527,340	527,153
Others veg. prods. mainly food.	1,524,686	1,343,048
Grand total veg. food prods.	$122,620,442	$50,371,052

(b)

Beverages, alcoholic	$20,607,338	$ 186,386
Gums and resins	2,381,031	2,083,649
Oil cake and meal	90,995	79,395
Oils, vegetable, not food	8,074,185	6,516,974
Plants, shrubs, trees and vines	1,100,196	406,022
Rubber and its products	13,216,371	9,273,041
Seeds	3,962,326	1,997,157
Tobacco	7,145,641	4,708,046
Other veg. prods. not food	3,449,523	3,232,045
Grand total agricultural and veg. prods, other than food	$60,027,606	$28,482,715

(c)

	Total	United States
Animals, living	$ 2,530,539	$ 2,292,754
Bone, ivory and shell prods.	356,001	174,018
Feathers and quills	282,873	194,939
Fishery products, n.o.p.	2,303,874	916,079
Fur skins	8,639,005	6,497,966
Hides and skins	7,617,273	3,227,519
Leather	7,021,583	4,958,026
Hair and bristles	722,361	587,166
Meats	7,941,154	7,441,841
Milk and its products	1,792,827	553,664
Oils, fats, greases and waxes.	3,049,314	2,867,528
Animal prods. miscellaneous.	4,167,058	3,253,537
Grand total animals and prods.	$46,423,862	$32,965,037

[Mr. Mackenzie King.]

LUNENBURG MARINE RAILWAY COMPANY

Mr. LADNER:

How much money, if any, has been paid, during the years 1922 and 1923, to the Lunenburg Marine Railway Company, Sydney, Nova Scotia, by the Department of Public Works and by the Department of Marine and Fisheries, and for what services?

Hon. Mr. COPP:

Department of Public Works—

Nothing at Sydney, but at Lunenburg payments aggregating $9,280.94 were made to the Lunenburg Marine Railway Company.

Department of Marine and Fisheries—

Engine repairs Patrol Boat "B"	$ 33.75
Engine repairs C. G. S. Arleux	46.90
General repairing and overhauling C. G. S. Arleux	3,894.00
3 stoves and fittings	86.36
Use of Marine Railway while C. G. S. Arleux undergoing hull repairs	545.50

GRAIN INQUIRY COMMISSION

Mr. SHAW:

1. What has been the cost of the Royal Grain Inquiry Commission up to the 1st of March, 1924?

2. What are the names of the officers and employees who have been engaged in the work of the said commission, and what salaries are paid to each?

3. Were any tenders invited or received in connection with the reporting and stenographic services necessary to the work of the said commission?

4. If so, from whom were such tenders received, and what was the tender price of each?

Hon. Mr. LOW:

1. $105,586.78.

2.

	Salary per diem
W. F. A. Turgeon, Chairman	Nil
D. A. McGibbon, Commissioner	$25
W. J. Rutherford, Commissioner	25
J. G. Scott, Commissioner	25
R. J. Deachman, Secretary	15

The Chairman receives his actual living and transportation expenses. The other members of the Commission and the Secretary receive a per diem allowance of $15, and their actual transportation expenses.

The employees of the Commission are:

	Salary per diem	Living Allw.
D'Arcy Scott, Chief Counsel, to September 16	$100	$15
from September 16 to October 3	50	15
S. B. Woods, Senior Counsel, (from October 4) preparation work	75	15
during sittings of Committee	100	15

	Salary per diem	Living Allw.
J. F. Fisher, Junior Counsel, to September 15	75	15
from September 16	50	15
D. D. Young, Technical adviser	25	15
R. A. Thompson, Technical adviser, (milling)	25	15
Michael Scott, Secretary to Counsel, (to October 3)	4	6
J. Howe, Reporter in chief	5	6
(and 30c. a folio for ten copies.)		
L. E. Cross, Stenographer	5	6

3. No.

4. Answered by No. 3.

HALIFAX GRAIN ELEVATOR

Mr. BLACK (Halifax):

1. What was the estimated cost of the grain elevator as it was proposed to be built at the port of Halifax, Nova Scotia, in or previous to December of 1921?

2. Were tenders ever called for construction of said elevator?

3. If so, what are the names and addresses respectively of persons who tendered for the said grain elevator, and what was the amount of each tender?

4. Why was the work not proceeded with?

5. Were the tenders called for in November, 1923, based upon the original plans?

6. Have the plans and specifications, or either, for the said elevator been revised? If so, when was such revision completed?

7. What is the estimated cost of the elevator under such revised plans and specifications?

8. Why have tenders not been invited for construction under the revised plans and specifications?

9. When will such tenders be invited?

10. What was the cost or value of engineering or other services in the work of revising the plans and specifications for the said elevator?

Hon. Mr. LOW:

1. Answered by No. 3.

2. Yes.

3.

	Total	Less certain deductions for portion of works not required	Net total
	$	$	$
Atlas Construction Co., Montreal	1,176,000	195,784	980,216
E. G. M. Cape Co., Montreal	1,190,000	196,000	994,000
MacDonald Engineering Co. of Canada, Toronto	1,238,072	208,200	1,029,872
Barnett - McQueen Co., Montreal	1,248,640	232,500	1,016,140
Grenville Crushed Rock Co. Ltd., Montreal	1,337,011	181,000	1,156,011
Brookfield Contruction Co., Halifax	1,340,573	214,337	1,126,236
Fegles Construction Co. Ltd., Fort William	1,355,014	183,143	1,171,871

4. The cost was found to be higher than was at first anticipated.

5. Yes

6. No.

7. Answered by No. 6.

8. Answered by No. 6.

9. As soon as the revision of the plans and specifications has been completed.

10. Answered by No. 6.

POSTAL SALARIES

Mr. WOODSWORTH:

1. Is it the intention of the government to inaugurate an immediate upward, general revision of postal salaries?

2. If not, is it the intention of the government, in extending the bonus system for another year, to materially increase the allowance to employees receiving the lower scale of salaries?

Hon. Mr. STEWART (Argenteuil): This inquiry is answered by the statement of the Prime Minister—see pages 480 and 481 Hansard, of 19th March, 1924.

IMPORTS FROM UNITED STATES

Mr. CHURCH:

1. What were the total imports from the United States for the past twelve years?

2. What were the total imports of coal from the United States, bituminous and anthracite, for the past three years of record?

3. What were the total imports of iron from the United States for the past three years?

4. What were the total imports from the United States of other manufactured products that could be manufactured in Canada?

Hon. Mr. LOW:

1. The total imports into Canada for consumption from the United States for the past twelve years were:

Years ended March 31:	$
1912	331,384,657
1913	436,887,315
1914	396,302,138
1915	297,142,059
1916	370,880,549
1917	665,312,759
1918	792,894,957
1919	750,203,024
1920	801,097,318
1921	856,176,820
1922	515,958,196
1923	540,989,738

2. The imports of anthracite and bituminous coal into Canada for consumption from the United States for the last three years of record were:

Years ended January 31		Anthracite Coal	Bituminous Coal
1922	Ton	4,468,379	12,932,118
	$	39,544,601	43,311,998
1923	Ton	2,682,536	10,327,450
	$	23,434,988	37,578,581
1924	Ton	4,840,713	15,072,285
	$	43,549,649	45,585,631

3. Total imports of iron and its products into Canada for consumption from the United States for the past three years were:

Years ended Janauary 31:	$
1922	109,153,604
1923	116,825,675
1924	152,355,937

4. No statistics of imports of manufactured goods, distinct from raw materials, have been compiled for a later 12 months period than the fiscal year ended March 31, 1923. For that fiscal year the total imports of partly manufactured goods from the United States were valued at $35,696,682, and the fully or chiefly manufactured goods at $314,961,036. Of these amounts the iron and steel manufactures accounted for $1,521,237 and $120,789,847, respectively, leaving $34,175,445, of partly manufactured goods and $194,171,189 of fully or chiefly manufactured goods of materials other than iron and steel.

COAL IMPORTS FROM UNITED STATES

Mr. CASGRAIN:

1. How many tons of coal were imported from the United States, and from countries other than the States, during the year 1923?

2. What was the total value of iron and steel imported by Canada from the United States during the year 1923?

3. What was the total value of farm implements imported by Canada from the United States in the year 1923?

Hon. Mr. LOW:

1. The quantity of coal imported into Canada for consumption from the United States, and from countries other than the States during the year ended December 31, 1923, was:

	Anthracite Tons	Bituminous Tons	Lignite Tons	Total Tons
From—				
United States	4,903 707	15,511.201	2,331	20,417,239
United Kingdom	261,675	310,895	....	572,570
Alaska	.....	4	....	4
Philippines	.....	140	....	140
Total	5,165,382	15,822,240	2,331	20,989,953

2. The total value of iron and its products imported into Canada for consumption from the United States for the year ended December 31, 1923 was $152,854,567.

3. The total value of farm implements and machinery imported into Canada for consumption from the United States for the year ended December 31, 1923 was $11,721,855.

[Mr. Low.]

EXCISE COLLECTIONS

Mr. CHAPLIN:

What amount of excise was collected on home-made native wines (a) during each of the months of September, October, November and December, 1922, and January, 1923: and (b) during each of the months of September, October, November and December, 1923, and January, 1924?

Hon. Mr. BUREAU: Excise taxes collected on domestic native wines under provisions of Special War Revenue Act, 1915:

1922		1923	
September	$12,710 37	September	$ 6,396 82
October	24,865 28	October	17,086 52
November	15,902 52	November	18 304 10
December	16,499 21	December	2,661 32
1923		1924	
January	27,674 58	January	7,981 81

QUESTIONS PASSED AS ORDERS FOR RETURNS

ROYAL COMMISSION ON PULPWOOD

Mr. LADNER:

1. Who are the members of the Royal Commission on Pulpwood?

2. What is the salary of each, the total cost of the commission to date and the cost per day?

3. What previous experience or training has each of the said members had in forestry or in the pulpwood business?

4. What witnesses have been heard, and what are their addresses, names and occupations?

5. Is the said commission authorized to inquire into the question of the export of fir, cedar or other logs to the United States from the province of British Columbia?

6. If so, has the government directed such inquiry or has the government received requests that such an inquiry be carried out in the interests of the manufacture of lumber and shingles in British Columbia?

7. At whose request or upon what information was the Order in Council of June 10, 1923, passed exempting pulpwood sold or to be sold for a period of ten years from any embargo which might be enacted?

8. Did the government promise to exempt farmers' pulpwood from a possible embargo?

9. Has not the Forestry branch of the Department of Interior and the Provincial Government Forests Services full information relative to the subject matter authorized to be inquired into by the said royal commission?

STEAMSHIPS SUBSIDIES

Mr. WOODSWORTH:

1. What number of steamship companies are receiving subsidies from the government?

2. What are the names of these companies?

3. What amount of subsidy is paid to each?

4. Under what conditions are these subsidies paid?

SOLDIER SETTLEMENT BOARD

Mr. COOTE:

1. What was the total cost of administration of the Soldier Settlement Board, in each year since the institution of the board?

2. What is the estimated total amount of interest which has been rebated or will be rebated to settlers under the Act of 1922?

3. What was the total number of employees each year since the formation of the board?

4. How many loans have been made in each province in each year by the board?

5. What was the total amount due by settlers in each province in each year?

6. What is the total amount paid by soldier settlers in each province in each year?

7. In how many cases did the board purchase lands for the settler?

8. On what terms were these lands sold to soldier settlers?

9. In how many of these cases has the settler abandoned his farm?

10. How much land has been purchased by the board in each province, and for how many settlers in each province, and what was the total price paid for same?

11. What amount was loaned in each province for purchase of stock and equipment, and what was the average loan for each settler for this purpose, in each province?

12. What was the total number of salvage cases in each province, and the total amount owing to the board under such cases at the time of salvage or abandonment: (a) for stock and equipment, (b) for lands?

13. What amount had been previously paid to the board in such cases by soldier settlers?

14. What amount of salvage lands have been resold, and what is the total sales price of these lands?

15. What is the value of the land still held by the board at the purchase price?

16. What amount has been received from the sale of stock and equipment in salvaged cases?

17. In how many cases have auction sales been held for land or equipment of soldier settlers?

18. On what terms are salvaged lands being sold to the public?

19. How many soldier settlers are now in arrears on their payments, and what is the total amount of such arrears?

20. What is the amount of future payments due to the board: (a) by soldier settlers; (b) by civilians?

21. What is the total amount now held in the Soldier Land Settlement Assurance Fund?

IMPORTATION OF VELVET

Mr. RYCKMAN:

1. What was the amount of velvets, velveteens, silk velvet and plush not over 24 inches in width and silk fabrics not over 26 inches in width imported into Canada per month during the months of October, November and December, 1923, and January, 1924, (a) from all countries and (b) from France, Italy and each of the other countries receiving "most favoured nation treatment"?

2. What was the amount of velvets, velveteens, silk velvets and plush over 24 inches in width and silk fabrics over 26 inches in width imported into Canada per month during the same period, (a) from all countries and (b) from France, Italy and each of the other countries receiving "most favoured nation treatment"?

APPEAL BOARD—WAR RECORD

Mr. ROSS (Kingston):

What is the war record in Canada, in England and in France, of each of the members of the Federal Appeal Board appointed by the present government?

Hon. Mr. BELAND: I do not exactly grasp whether my hon. friend wants all the data respecting the time during which the members of the board served either in Canada, England or France, or not. I may say orally to-day that the five members of the board served in the Canadian Expeditionary Force. The chairman, Colonel Belton, served in Canada only. The four other members, Captain Meath, Lieutenant Reilly, Colonel Roy, and Dr. Wickware, all served in Canada, England and France. If my hon. friend wishes to get the dates of each member's service in the different countries, the question must pass as an order for return.

Mr. ROSS: I would just as soon have it pass as an order for return.

OTTAWA WINE VAULTS BUILDING

Mr. HANSON:

1. Did the government purchase within the last year a property in Ottawa on York street, known as the Ottawa Wine Vaults building?

2. If so, at what price?

3. What was the previous city assessment on the building?

4. Who were the owners of said building?

5. With all the unoccupied government property in Ottawa, what was the urgency of purchasing this property?

6. What is it used for at present?

CANADIAN NATIONAL RAILWAYS AND CIVIC TAXATION

Mr. BLACK (Halifax):

1. Does the Canadian National Railways pay to the city of Montreal yearly any sum by way of taxation or otherwise in respect to property formerly belonging to the Grand Trunk Railway and now occupied and used by the Canadian National Railways? If so, how much and on what basis is such payment made?

2. What was the assessed value of such property before the same was taken over by the Canadian National Railways, and what was the rate at which the same was taxed? At what sum is such property rated to-day and is any distinction as to assessment made between it and other taxable property in the city?

3. What representations, if any, were made by any Minister of the Crown as to the future taxation by the city of Montreal of the properties of the Grand Trunk at or previous to the taking over of the same by the Canadian National Railways or the Crown?

4. What sums, if any, does the Canadian National Railways pay to the city of Prince Rupert as taxes or otherwise in respect to Railway Terminals or other property formerly belonging to the Grand Trunk Pacific Railway Company and now the property of the Canadian National Railways?

5. At what amount are such properties valued for assessment and at what rate are they taxed and do such valuations and rate differ from those in respect to other taxable properties in the city?

6. Does the Canadian National Railways pay any sums whether as taxes or otherwise to other cities and municipalities in Canada in respect to properties formerly belonging to the Grand Trunk Railway or to the Grand Trunk Pacific Railway Company? If so, what —giving places, and amounts paid in each?

7. Does the Canadian National Railways pay to the city of Portland, Maine, any sums as taxes in respect to the railway terminals and other properties in that city, formerly the property of the Grand Trunk Railway Company? If so, how much? At what value is such property assessed for city taxes and at what rate does it pay, and do such valuation and rate differ from those in respect to other taxable properties in the city?

Hon. Mr. GRAHAM: The information asked for by this question is quite voluminous and will require quite a little research. I ask my hon. friend to let it stand as an order for a return.

QUESTIONS AS ORDERS FOR RETURNS

OBJECTION BY MR. MEIGHEN

On the Orders of the Day.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): There are some questions that have been asked to stand as to which request no valid objection could be taken, as the questions involve long replies which could not and do not need to go on Hansard. As to others, I protest against the government abusing the rule and requiring them to stand as orders for returns. I instance especially question No. 28 which I understood the Minister of Public Works (Mr. King, Kootenay) asked to stand as an order for return. If there was ever a simple question, seeing that the answer to it could be put on a postage stamp, it is question No. 28. It is first asked:

Did the government purchase within the last year a property in Ottawa on York street, known as the Ottawa Wine Vaults building? If so, at what price?

Perhaps it would take a large postage stamp to contain the answer, but it should not require a long time to give the reply. Then it is sought to learn:

What was the previous city assessment on the building?

Surely it is a gross abuse of the rule to ask that that question stand as an order for return. Finally:

Who were the owners of said building?

With all the unoccupied government property in Ottawa what was the urgency of purchasing this property?

What is it used for at present?

There is absolutely no excuse for asking that this question stand as an order for return.

Hon. Mr. KING (Minister of Public Works): I think it is important that this should be a matter of return, in order that the House may be fully advised as to the price paid for this building and the valuation of the property. The question will not bring out that information, and I think the House ought to have it.

Mr. MEIGHEN: The minister's explanation is amusing. There is no need of this question standing as an order for a return. If the minister should make his answer a little more full than the question requires we do not object to it. All that is asked for is an answer to the question.

DUTY COLLECTED ON SKINS

On the Orders of the Day:

Mr. MACKENZIE KING: The hon. member for South Oxford (Mr. Sutherland) yesterday asked a question in respect to quantities, values and amount of duties collected on the importation of calf and cattle skins, and so forth. In the absence of the Minister of Customs I asked that it be allowed to stand as an order for return. I find the Minister of Customs has prepared an answer for it but it is somewhat lengthy. I should like to have it either placed on Hansard as an answer or let the question pass as an order for return. If my hon. friend would like it to appear on Hansard it might be inserted in the list of questions to-day.

Mr. SUTHERLAND: I should like it to appear in Hansard.

Mr. SPEAKER: Answered.

[The question and answer referred to are as follows:

Mr. SUTHERLAND:

1. What are the respective quantities, values and amount of duty collected, on the importation of calf and cattle skins, also the quantity and value of calf and cattle skins exported from Canada during the years ending March 31, 1920, 1921, 1922 and 1923?

2. What are the respective quantities, values and duty collected on eggs imported, also the quantity and value of eggs exported from Canada, during the years ending March 31, 1920, 1921, 1922 and 1923.

3. What are the respective quantities, values and duty collected on butter imported during the years above mentioned, also the quantity and value of butter exported?

4. What are the respective quantities, values and duty collected on the imports of pork and pork products such as fresh, salted and cured bacon and hams, lard, etc., also the exports of same for the years 1920, 1921, 1922 and 1923?

5. What are the respective quantities, value and duty collected on imports of oleomargarine for the years 1920, 1921, 1922 and 1923?

6. What are the respective quantities, value and duty collected on imports of material used in the manufacture of oleomargarine for 1920, 1921, 1922 and 1923?

7. What are the quantities and values of the exports of oleomargarine for the years 1920, 1921, 1922 and 1923?

Right Hon. W. L. MACKENZIE KING (for the Minister of Customs and Excise):

	Year	Imports Entered for Consumption			Exports	Canadian Produce
		Lb.	Value	Duty	Cwt.	Value
No. 1 Calf and cattle skins	1920	37,713,059	$ 18,994,329	Free	441,901	$ 17,371,270
	1921	22,194,039	8,207,400	"	222,163	3,957,230
	1922	26,946,049	4,671,875	"	378,142	3,728,035
	1923	40,238,674	6,812,323	"	516,023	6,579,767
		Doz.	Value	Duty	Doz.	Value
No. 2. Eggs	1920	5,977,480	$ 2,837,442	$ 179,324	6,000,528	$ 3,496,827
	1921	5,341,936	2,344,297	160,146	6,579,853	4,425,856
	1922	9,637,303	3,239,480	289,119	4,399,534	2,039,352
	1923	8,319,622	2,508,504	249,588	3,613,531	1,410,444
		Lb.	Value	Duty	Lb.	Value
No. 3. Butter	1920	397,955	$ 176,994	$ 14,427	17,612,605	$ 9,844,359
	1921	3,741,628	1,805,709	136,454	9,739,414	5,128,831
	1922	6,078,882	1,883,013	204,889	8,430,591	3,224,390
	1923	3,767,573	1,349,819	134,370	21,994,578	8,243,138
No. 4. Pork, fresh	1920	46,305,353	$ 14,407,467	$ 1,389,161	15,250	$ 322,384
	1921	22,402,444	3,862,311	672,073	16,014	493,220
	1922	28,600,126	4,443,933	857,955	10,493	229,442
	1923	33,098,701	5,134,061	992,961	7,586	179,731
Bacon and Hams	1920	4,977,954	$ 1,385,965	99,559	2,236,426	$ 70,123,580
	1921	6,823,423	1,548,084	136,468	982,338	31,492,407
	1922	6,902,688	1,242,918	138,049	992,080	23,012,480
	1923	4,664,217	673,035	93,271	1,015,901	22,536,397
Pork, barrelled in brine	1920	9,134,793	$ 2,089,852	$ 182,696	12,076	$ 249,304
	1921	10,849,632	1,735,124	216,993	6,118	110,750
	1922	8,309,465	826,004	166,187	6,410	68,679
	1923	12,622,600	1,379,536	252,452	5,368	48,895
Pork, dry salted	1920	4,176,340	$ 1,063,807	$ 83,527	39,497	$ 1,069,882
	1921	2,062,215	438,675	41,244	9,125	198,502
	1922	1,115,095	152,464	22,302	12,345	155,587
	1923	1,983,906	258,457	39,678	13,751	223,056
Lard	1920	7,293,438	$ 1,720,088	$ 145,869	76,218	$ 2,428,138
	1921	11,493,226	1,902,768	229,865	30,961	617,334
	1922	9,091,245	948,087	181,825	47,959	686,394
	1923	10,551,616	1,144,141	211,032	42,633	595,115
No. 5. Oleomargarine	1920	6,497,031	$ 1,872,104	Free		
	1921	4,630,747	1,206,351	"		
	1922	1,345,784	257,393	"		
	1923	1,165,440	190,780	"		

No. 6. No record available of Imports of materials to be used in the manufacture of Oleomargarine.

No. 7. No record of Exports of Oleomargarine.]

PAINTING OF LATE PRESIDENT HARDING

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): I should like to ask the Prime Minister if the government is taking any steps to officially recognize the. presentation by Mr. R. J Cromie, publisher of the Vancouver Sun, to the National Press Gallery in Washington, of a large painting commemorating the historic visit of President Harding to Canada which occurred in Vancouver last summer. This painting commemorates the visit in question, and portrays the late president on the occasion of his addressing some forty thousand citizens of Canada in Stanley park. I might add, with your permission, Sir, that this very important and historic painting is being exhibited in the leading cities. I should like to ask, therefore, if there is any official recognition being made of this very excellent step taken by Mr. Cromie, and whether or not provision will be made to exhibit the painting in Ottawa on its way to Washington. It is to be presented some time in April, according to my information.

Mr. MACKENZIE KING: My hon. friend was kind enough to mention to me before the House assembled that he intended to ask this

question. I brought with me, therefore, a communication which I sent to Mr. Cromie at the time I learned it was the intention of the Sun to make the presentation to the Press Gallery at Washington of the historic painting referred to. This telegraphic communication is as follows:

Ottawa, February 15, 1924.

To The Vancouver Sun:

On the occasion of the Sun's presentation to the National Press Gallery at Washington of the picture commemorating President Harding's greeting to the Canadian people at Vancouver, it gives me great pleasure to associate myself in the proceedings by expressing the hope that the feelings of mutual trust and good-will, which this presentation symbolizes, and which it was Mr. Harding's aim to promote, may ever continue to subsist and strengthen as time goes on.

W. L. MACKENZIE KING,
Prime Minister of Canada.

I sent that communication semi-officially in the hope that it might help to give the presentation something of the national character which I think my hon. friend has in mind. I also intimated to Mr. Cromie that at the time the formal presentation was made I would send a communication from the government of Canada to the authorities at Washington, or whoever might be in charge of the presentation there, extending greetings on behalf of the Dominion in connection with the occasion. As to the exhibition of the painting at Ottawa, I confess that until my hon. friend spoke of the matter I had assumed that the presentation of the painting was a private enterprise on behalf of the Vancouver Sun, and that the matter of the exhibition of the painting rested with the proprietor of that paper, but I can assure my hon. friend, after speaking to the hon. Minister of Public Works (Mr. King), that the minister will be glad to see that arrangements are made for the painting being brought to Ottawa, if it is the wish of the Vancouver Sun to have it exhibited here.

WINDSOR PLUMBERS AND STEAMFITTERS

On the Orders of the Day:

Sir HENRY DRAYTON (West York): I wish to draw the attention of the government to the complaint of the United Association of Journeyman Plumbers and Steamfitters of Windsor. The complaint which has apparently been made to the government is to the effect that, while the city of Windsor has been obliged to open up a mission to feed and take care of the unemployed this winter, nevertheless, against the regulations of the Department of Immigration and of Labour, American workers have been brought from Milwaukee to do work in Windsor in connection with the erection of an ice plant which is being put up by a Milwaukee firm. The work is that of steamfitting and pipefitting, and at the present time there are 20 experienced pipefitters out of employment in the city of Windsor.

Hon. J. A. ROBB (Minister of Immigration and Colonization): The Department of Immigration, so far as I know, received no complaint from any person in the city of Windsor. And—may I point out to my hon. friend—it is just possible the work these men are doing will provide work for other men when the staff gets busy.

NAVIES OF OVERSEAS DOMINIONS

On the Orders of the Day.

Mr. ROBERT FORKE (Brandon): I noticed a despatch in the press the other day, I think it was dated from London, which induces me to ask the government, whether the announcement of the Parliamentary Secretary of the British Admiralty that the Overseas dominions will develop their navies in accordance with a common doctrine is correct.

I do not wish to ask an awkward question, but if there is any information along that line, I would like to know what a "common doctrine" really means.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The press item has reference, I think, to discussions which took place at the Imperial Conference. As my hon. friend knows, there has been for some little time a controversy as to whether there will be a centralized navy, one navy contributed to by the different dominions, or whether in the matter of naval defence the dominions should have their own naval services under the control of their own governments. At the Imperial Conference it was definitely determined that as repects the self governing dominions the policy of naval services owned and controlled by the government of the dominions was the proper policy to follow in regard to naval defence. In connection therewith it has always been assumed that where the dominions have navies of their own, that as between the dominions, matters of organization and administration would be carried on along lines more or less similar so that, in the event of there being a desire to co-operate or co-ordinate the several naval services, they would as a result of similar methods of training, similar rules and regu-

lations in respect of discipline and the like, be able to co-operate efficiently. That is the extent, I think, to which a common doctrine is presumed to have application in this case.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I might be permitted to call the attention of the hon. leader of the Progressive party (Mr. Forke) also, that in the despatch to which he refers it is distinctly stated that the policy being pursued was inaugurated and adopted three years ago.

SUBSIDIES TO WESTERN PROVINCES

On the Orders of the Day.

Mr. A. E. MacLEAN (Prince, P.E.I.): I wish to ask the government a question regarding increased subsidies to the three western provinces as shown in the estimates. Is this increase based on the rate per capita as fixed by statute, or is it on some other basis.

Mr. SPEAKER: I think this question would properly come when the estimates are before committee of supply. It is not proper, at this stage, according to the rules to ask a question on a subject of that kind.

YUKON QUARTZ MINING BILL

On the Order:

Second reading of Bill No. 6, respecting Quartz Mining in the Yukon territory.—Mr. Black (Yukon).

Right Hon. W. L. MACKENZIE KING (Prime Minister): This bill is not printed in both languages.

Mr. SPEAKER: It is printed only in one language; therefore it must stand.

Mr. GEORGE BLACK (Yukon): I am prepared to go on,

Mr. SPEAKER: The objection is taken and I must observe the rule.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): It is true this bill does not appear on the order paper as printed in English and in French, but if it is passed over, it will be through no fault of the hon. member in charge of it, and it may never be reached again. I would think the objection might well be waived and the hon. gentleman allowed to go on.

Mr. MACKENZIE KING: I have no objection if he wishes to go on with it now.

Mr. MARCIL (Bonaventure): The objection is that the bill is not printed in both languages. I raised the objection.

Mr. MEIGHEN: The bill can be gone on with only by unanimous consent. The fault is not that of the hon. member. Bills put in since his have been printed; I cannot understand why this one has not been printed.

Mr. MACKENZIE KING: As long as it is understood the bill is going to committee.

Mr. SPEAKER: If there were unanimous consent, the hon. member (Mr. Black, Yukon) could proceed; but the objection has been taken and I must observe the rule.

Order stands.

RAILWAY ACT AMENDMENT—EXCURSIONS.

Mr. T. L. CHURCH (North Toronto) moved the second reading of Bill No. 11, to amend the Railway Act, 1919.

Hon. G. P. GRAHAM (Minister of Railways and Canals): If the hon. gentleman is not going to discuss it, I have something to say.

Mr. CHURCH: I think the Minister might let this bill go to the Railway Committee. It is not a very large demand to make of the railway companies. It was good legislation before the war and worked out very well. In the United States they have this provision for week-end excursions for different purposes. A large deputation desire to be heard before the committee. It will not take more than half an hour. I hope the Minister will let the bill go to committee, where it will be discussed.

Mr. GRAHAM : That is just what I wanted to do myself, but if it got a second reading without being sent to a committee where all parties could be heard, it might get through the House without members having any information with regard to it. The railways of the world are not having an easy time just now, and I think it would be unfair to amend the act in any way imposing any duties on them, or giving them any new privileges, unless all parties interested had an opportunity of being heard. I have not given the matter much thought, but, without admitting the principle of the bill, if the hon. gentleman will move that it be referred to the Committee on Railways, I have no objection at all to the second reading.

Motion agreed to and bill read the second time.

UNOPPOSED MOTIONS FOR PAPERS

CANADIAN NORTHERN BRANCH LINES

Mr. CHURCH moved:

For a copy of all papers, letters, contracts, estimates and agreements, telegrams, and all other documents

(including the cost of construction) and relating to the abandonment of the C.N.R. line between Orono and Cherrywood and the electrification of the line between Bowmanville and Pickering and for the construction of a National Railway between Bowmanville and Oshawa and also between Pickering and Cherrywood joining the C.N.R. at that point, including all reports of the engineers, officials, and other experts of the Canadian National Railway recommending such a duplication of railways and the abandonment of the original C.N.R. line through Durham and Ontario counties, and of all petitions and other correspondence opposing this duplication and paralleling of existing lines.

He said: I ask that the motion stand in view of the objection yesterday of the Minister of Railways and Canals (Mr. Graham).

Motion stands.

TIMISKAMING DAM

Mr. LAPIERRE:

For a copy of all letters, telegrams and other documents exchanged between the government and Mr. John Sloan, Mattawa, Ontario, or his legal advisers, relating to the indemnity which he received due to the accident that happened to him while engaged on the government works at Timiskaming dam.

CANADA'S CONSTITUTIONAL POWERS

Mr. J. S. WOODSWORTH (Centre Winnipeg) moved:

That, in the opinion of this House, the governing powers of Canada as constituted by the British North America Act as amended and as altered from time to time hereafter ought to possess under the British Crown the same powers with regard to Canada, its affairs and its people, as the Parliament of Great Britain possesses in regard to Great Britain, its affairs and its people.

He said: Mr. Speaker, it is with considerable hesitation that I introduce this subject to-day. I am quite well aware that it is a matter that, perhaps, ought to be dealt with by a constitutional lawyer. I make no pretence whatever to understand at all in detail the various questions which may be involved; but, during my short experience in this House, on a number of occasions we have been faced with very practical difficulties which, it would seem, make necessary some such resolution as this. Again and again we have been told that we were not capable of passing certain legislation because this came within the jurisdiction of one of the various provinces. It is for these practical reasons that I have been wondering how it would be possible to introduce measures which would enable us to make our administration more efficient. I have been thinking particularly with regard to the group that I have been trying to represent, the Labour group who, perhaps, because their problems are more recent than some of the other problems which have, from time to time, been placed before the House, find that it is the more difficult for them to receive proper treatment.

In this resolution, I might frankly say, I have adopted a formula suggested by Sir Clifford Sifton in an address on constitutional Relations of Canada. Sir Clifford Sifton knows nothing whatever of my use of his suggestion. In all probability, he might be annoyed that I should be the one to put it forward on the floor of this House. On the other hand, while I must openly admit that I am not a very great admirer of some of Sir Clifford Sifton's policies, I see no reason whatever why I should not make use of a suggestion which appeals to me as accomplishing the ends which I have in view.

There are, perhaps, two questions involved in the resolution which I have suggested. The one is with regard to our relation to the Motherland, and the other is with regard to the relationship that exists between Canada and the various provinces. One of our western papers, in commenting on this resolution which I have placed upon the order paper, suggests that I should make very clear what my position is in this matter. I cannot make it much more clear than it is made in the terms of the resolution itself. It means simply that Canada regards herself as grown up and that, being in that position, she believes that she has the right to full self-determination and to the fullest measure of home rule. As you will observe, Mr. Speaker, the suggestion is that, under the Crown, we should have precisely the same rights as are enjoyed by the people who reside in England or in Scotland; that the parliament of this country should have the full right of deciding upon the destinies of the people of Canada just as the British parliament has the full right of deciding the destinies of those who live in the Motherland. There is no suggestion whatever that we should loosen the ties that unite us with the Motherland; none whatever. Our position is clear and straightforward; we believe that the time has come when we should have the undisputed right to decide upon questions that concern us without going abroad in order that we may obtain permission to exercise that right. I cannot see why an Englishman who leaves England and comes to Canada to reside in this country ought thereby to be placed in an inferior position. I cannot see why it is that because, say, my great grandfather left Great Britain to come to reside in Canada I should not have an equal right with my cousins who happen to be still in Great Britain. It seems

to me that we are travelling along the very lines that all forward-looking Canadians have advocated for some generations in this country. As I have said, the practical difficulty is that which has forced me to take this position. I introduced the question of an eight hour day in this House and we were told that nothing could be done in that regard because the matter is one of a provincial nature; I introduced the question of unemployment insurance, and, although Canada is one of the signatories to the Peace treaty, we are told that the Canadian federal government cannot deal with this matter because it is a provincial matter and under the British North America Act it is a matter that must be dealt with entirely by the province. These are very practical difficulties, and the question is, how can they be solved? It might be that a conference could be called by this government at which there could be representatives of the governments of the various provinces, and the whole problem might be gone into with a view to settling the jurisdictional question. That is a possible way of meeting the difficulty. In that case, however, we should still have to go to the Motherland in order to obtain the ratification of our arrangements here.

There is a question that has come before this House frequently in years past, and that is, either the reform or the abolition of the Senate. We find that certain measures which are passed by the elected representatives of the people of this country are thrown out by the upper House, and apparently we have no redress. It is a constitutional question as to just how we could manage to get the Senate itself to consent to its own annihilation or to such modifications as would make the government of this country really democratic. It is these practical problems that make one feel that the time has arrived when we should be able to consider in this House all the matters that concern us and to decide upon our own course of action. I need hardly remind the government of the recent trend, which I think is more or less promoted by the Liberal party in Canada, towards a larger measure of self-determination in foreign affairs. And yet I take it that we are hardly in a position to-day to say, for example, whether or not we should go to war. Possibly, if we claimed now that Canada should be consulted before she went to war, we should still have to confess that Canada might find herself, at least technically, at war whether she liked it or not. There is a most anomalous situation as regards our relation to questions of foreign policies of the Empire. I asked a simple question last year on the floor of the House as to whether the government of Canada had endorsed the project of the British government of that day for the construction of a naval base at Singapore. Our papers ridiculed the idea that such a question should be put on the floor of this House. I submit, however, Mr. Speaker, that questions of this kind must be asked and answered on the floor of the Canadian parliament; we cannot allow ourselves to be more or less committed to policies in which we have no voice whatever. With regard to this very Singapore question we are told that Canada has not offered any advice. Again we are left completely in the dark as to what responsibilities we have; and I may say that so far as I can see from the report of the Economic Conference I cannot discern that any very great light is thrown on the question by the resolutions which were adopted at that conference. However, I am glad to think that there has been, through the years, a gradual growth of a spirit of independent action. You will remember that in the time of Sir John A. Macdonald, as far back as the year 1885, there arose the question as to the relationship of Canada with regard to foreign wars. Sir John Macdonald, among other things, said:

> Why should we waste money and men in this wretched business? England is not at war, but merely helping the Khedive to put down an insurrection; and now that Gordon is gone the motive of aiding in the rescue of our countrymen is gone with him. Our men and money would therefore be sacrificed to get Gladstone and Company out of the hole they plunged themselves into by their own imbecility. Again, reciprocal aid to be given by the Colonies and England should be a matter of treaty, deliberately entered into and settled on a permanent basis.

If anyone in this corner of the House should venture to use such strong language as that I fancy that some of those who claim to be the successors of the Conservatives of that time might castigate us very severely indeed for giving utterance to what they might term disloyal sentiments. I think, however, that the time has come when we ought to be able on the floor of this House to give full and free expression to our opinions regarding national and imperial affairs without being called disloyal. Another of the great national leaders, one who had so much to do with the outlining of the fundamental policies of Canada, the Right Hon. Sir Wilfrid Laurier, speaking in the House of Commons on the 5th day of February, 1900 in connection with the despatch of troops to South Africa, said:

> I claim for Canada this, that in the future Canada shall be at liberty to act or not to act, to interfere or not to interfere, to do just as she pleases, and that she shall reserve to herself the right to judge whether or not there is cause for her to act.

We all know the attitude that was taken more recently by the present government with regard to the Near Eastern affair. I do not know that I need detain the House by reading the correspondence in that connection; it is fresh in all our minds. In my opinion, not only the majority in this House but the majority of the people throughout Canada were absolutely behind the government in the action which was taken at that time.

Let me quote another authority with regard to the status of Canada. Sir Robert Borden, in the course of a debate in this House on September 2, 1919, referring to the Peace Conference at Paris, spoke as follows:

> It is desirable to note an important development in constitutional practice respecting the signature of the various treaties concluded at the conference. Hitherto it has been the practice to insert an article or reservation providing for the adhesion of the dominions. In view of the new position that had been secured and of the part played by Dominion representatives at the peace table we thought this method inappropriate and undesirable in connection with the Peace Treaty. Accordingly I proposed that the assent of the King as High Contracting Party to the various treaties should in respect of the dominions be signified by the signature of the Dominion plenipotentiaries, and that the preamble and other formal parts of the treaties should be drafted accordingly. This proposal was adopted in the form of a memorandum by all the Dominion Prime Ministers at a meeting which I summoned, and was put forward by me on their behalf to the British Empire delegation, by whom it was accepted. The proposal was subsequently adopted by the conference and the various treaties have been drawn up accordingly so that the dominions appear therein as signatories, and their concurrence in the treaties is thus given in the same manner as that of other nations.

Further, in reference to the Versailles treaty of peace we have Sir Robert Borden answering Mr. Fielding in these words:

> His Majesty the King and his advisers have recognized the right of this parliament to express its opinion upon this treaty. I made that pledge to parliament, and the British government have been informed of that pledge. They recognize the situation, and they are not disposed to deal with this treaty, so far as Canada is concerned, apart from the approval of the Canadian parliament.. .. ..
>
> I tell him (Mr. Fielding) that it is recognized by the ministers of the Crown of Great Britain that this treaty must be submitted to the Canadian parliament for its approval, and that we desire, we insist, upon the judgment of the Canadian parliament in regard to it before we advise the King on behalf of Canada that the treaty should be ratified.. .. ..
>
> If my hon. friend means that, notwithstanding the arrangements which have been made, the conventions which have become recognized, the status which has been accorded to the dominions during recent years, we are still subject to have this treaty ratified by His Majesty on behalf of Canada whether the parliament of Canada is willing to ratify it or not, then I tell him he is dealing in ancient history and that his ideas should advance with the progress of recent years.. .. ..
>
> His suggestion was that ratification by the parliament of Canada is merely a farce, that the government of the United Kingdom possesses such constitutional right in respect of this dominion that they can impose their will upon us without regard to this parliament. I repeat that if such is the opinion of the hon. member he is thinking in terms of a hundred years ago and not of to-day.

[Mr. Woodsworth.]

We have advanced in this country, if not by purely legal means, at least by actual constitutional practice throughout these years, and we ought to recognize now, in some formal way, the status which we have attained.

I was struck by one little clause in the constitution of the Irish Free State, and I should like to think that this expresses what ought to be the situation in Canada. This is the clause:

> All powers of government and all authority, legislative, executive and judicial, are derived from the people, and the same shall be exercised in the Irish Free State through the organizations established by or under and in accordance with this constitution.

Surely we ought to have come to that stage in our national development when we would frankly recognize that all authority is vested in the people—and I would add, in the people whose country is being administered, not in the people of some other country thousands of miles away.

Now, why have not some such independence of action, not merely in our foreign affairs but in our internal affairs as well? I am not going to discuss the Halibut treaty, which of course is very closely related to this matter and perhaps is intermediary between our foreign, and our purely domestic affairs. But there are a number of matters to which I have made the very briefest reference a few minutes ago in regard to which we have no liberty of action. It appears that we cannot amend our own constitution. Why should we not be able to amend it? The House will recognize that the resolution is put in a form which simply affirms that we believe we ought to be able to do these things. We cannot change the relative jurisdiction of the federal and pro-

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vincial governments; we cannot in that way, as I have said, provide for efficient action on some very important questions that confront us under our modern industrial system; we cannot change the executive government of the province in such a way as to affect the office of Lieutenant Governor, which practically makes our authority of very little value indeed; and we have no extra-territorial jurisdiction; all these powers are lacking to us.

I would point out that in the case of the newer dominions provision is made that they may alter their constitutions. South Africa has complete power of amendment in this

regard respecting internal affairs; its constitution can be amended by a simple act of parliament. Australia has the same power, but the amendment must go before the people as a referendum. In both cases, however, the people have the privilege of amending their own constitution. Why should we in Canada be placed in a less favourable position than South Africa or Australia? We are told that the British North America Act stands in the way. To a certain extent the act may be regarded as more or less our written constitution. Again without going into the constitutional aspects of this matter in any detail—and I quite frankly admit that I am not prepared by any legal training to do so—may I suggest several points which, it seems to me, might appeal to a large number of hon. members who are not looking at the question from the narrowly legal standpoint? Great Britain, to whom we look for guidance in the affairs of government, has no written constitution, and it has always been the boast of her people that their parliament is supreme. If we are really one of the grown-ups in the family of nations, we ought surely, to have more or less flexibility in our governmental machinery; we ought not to be tied by a hard and fast constitution. It might be in any given case more difficult for us to amend our constitution than it would be for the United States, whose constitution, as everyone knows, is very rigid.

May I point out further, that England herself has advanced a very long way since the British North America Act was put on the statute books? Why should we continually have to go back and take our guidance from the England of a hundred or a hundred and fifty years ago, rather than be helped by the England of to-day? Only last night on the floor of this House we had references to the situation that prevailed in England, I think it was in 1790, and we found it very difficult to follow the action of England in 1921. Why should we be forced to follow the lead of the England of the past instead of the England of to-day?

Further than that, the conditions in Canada existing at the time of the British North America Act were entirely different from those which exist at the present time. Then Canada consisted very largely of a string of pioneer settlements extending only part way across the continent. Now with the revolution in transportation, we have also revolution in our whole industrial, commercial and financial life. If I may adopt the figure which I have heard my colleague use, if we want to fix an automobile why should we be forced to go back to an ox-cart in order to get our models and our tools? There is the difficulty that we find to-day. We are dealing to-day with an elaborate organization of society, built up on our present industrial system. The British North America Act was formulated at a time when the greater part of the people of this country were living in little quiet agricultural settlements, and were not faced with the complicated problems which face us at the present time. We have our electric light fixtures to-day. Why should we be constantly referred to the period of candles, and be taught that we ought to light our houses in the way that our grandfathers did, and be limited entirely by the modus operandi of those earlier days?

On more than one occasion in this House some of us have been referred to the British North America Act; of some measure designed to meet a pressing modern need, we are told: You cannot find it in the British North America Act, or it is against the British North America Act. Well, I submit that half the legislation that takes place on the floor of this House finds no warrant whatever in the British North America Act, none whatever. Some of the principles may be there. My good friend from Brome (Mr. McMaster) suggests that they are there. They may be there in germ, but I submit that we cannot find stated specifically the grounds upon which we are acting to-day. The old-time legislation and the old-time constitutional provisions are quite inadequate to meet the needs of the present situation. Might I give just one illustration of this? Last year we had a bill presented on the floor of this House dealing with the lake of the Woods levels. Some claimed that the federal government should have jurisdiction in a matter of this kind; others claimed that this was a matter which came entirely under the jurisdiction of the provinces concerned. Now in the era before electricity it might have been comparatively easy to decide whether the water-powers of a river were a matter that concerned the provinces merely, or concerned the whole country; but now that we have the generation of electricity by water-power, and as the water-power is dependent upon maintaining levels on various rivers, the old ways of dealing with this question, the old points of view become absolutely inadequate. They are too antiquated for practical guidance. Under those circumstances we ought to be able readily, without any roundabout methods, to alter our constitution so that we can more effectively deal with various situations as they arise.

Mr. MARCIL (Bonaventure): May I interrupt? As the hon. gentleman is no doubt aware, the British North America Act was a contract entered into by the various provinces of the Dominion at that time, and that act cannot be amended now any more than any ordinary contract can be amended, and certainly it cannot be amended by this parliament.

Mr. WOODSWORTH: I am not quite sure, looking at the matter from the standpoint of the ordinary citizen of Canada, that I could concede that the British North America Act was simply a contract between the various provinces. It is altogether different in type from an ordinary legal commercial contract. Moreover I would suggest that there is no reason why even legal contracts should not be amended, none whatever; and in the case of many of the long-term contracts I think it is understood that in certain cases modern changing conditions make it necessary for the law to step in and modify even some commercial contracts. The question which has been asked suggests an opinion which was given me the other day by an official of this House who took the ground in discussing this amendment: If Canada wishes to amend the British North America Act there are only two possible ways; first, as the American colonies did, and I suppose that means by revolution; or second, by petition to the Imeprial parliament, asking them to amend their act.

I am not going into the exact form or manner in which this resolution, if it is passed by the House, should be acted upon. That is a matter for the government to decide; that is a matter of mere form. But I would suggest that, looking at the question from a very practical standpoint; if the people as represented in this House decide that the time has come when we should have the right to amend our own constitution, when we should have the right to decide our own affairs without reference to the Motherland, then I would think that the authorities of Great Britain would hesitate before refusing us such a right.

In some ways it might be considered well for those of us who represent Labour to leave things as they are, for I fancy that if on any matter we went to the Motherland where a Labour government is in power we would stand a better chance, than we ever have done before of getting what Labour in this country wants. Notwithstanding that consideration, I feel that this matter should be taken up and decided on the floor of this House. Even if we have to wait a little bit longer, I am a sufficient believer in democracy to think that we in Canada must work out our own salvation. I know that there are some people who might perhaps say there is a danger that certain portions of the country would forfeit certain privileges or rights which they now have. I cannot see that such an objection is well founded. Surely the Canadian people can be trusted to be very jealous indeed of the rights which have been recognized in times past. I cannot think that we must go over the seas in order to obtain power that would force us to keep our contracts or carry out our various undertakings in this country.

Perhaps those of us who live in the West, out on the prairies, look at this matter from a little different angle from that of those who have lived in the East and perhaps have been accustomed a little bit longer to the traditional point of view. Out there we have a strange mingling of peoples, not only from Ontario, Quebec and the Maritime provinces, but also large numbers directly from England and Scotland, some from the United States to the south of us, and some from the various countries of Europe. We feel very strongly that all that mingling of the people is more or less typical of what is going on throughout the length and breadth of Canada. We feel that we have practically attained our nationhood, and having obtained it if we are to have an united Canadian people it can only be as the people recognize and practise their full responsibilities.

We have heard a great deal in this House in the last week or two about the necessity of binding together the different parts of Canada. I too should like to see the different parts of Canada bound more closely together, but I submit that that cannot be done without it being possible for each section of the country to work out its own destinies in a manner that appeals most strongly to it. I cannot see that there is likely to be any trouble whatever if representatives of all the various provinces of this country can come together and decide upon those policies which are in the best interests of the country at large; and as far as the Motherland is concerned, we must surely recognize that the ties of sentiment are much stronger than any ancient legal ties. There is no danger whatever at this period in our history that we shall repudiate Great Britain simply because there have been a few lines altered in a certain old act. Surely our loyalty to the Motherland is based on stronger foundations than that. I take it

that we are quite in keeping with the expressions and viewpoint of the present government in Great Britain, when we say that it is not in the interests of the Empire that we should build up one strong centralized organization, but rather a community of nations. Such a commonwealth will prosper in the future to the extent to which each particular part is allowed the fullest freedom of self expression and self determination.

Mr. CASGRAIN: What has my hon. friend in mind when he speaks of the "governing powers of Canada"?

Mr. WOODSWORTH: May I ask the questioner in return what he has in mind?

Mr. CASGRAIN: Because the French version of the resolution states:

La Chambre est d'avis que l'Exécutif du Canada tel qu'il est constitué par l'Acte de l'Amérique du Nord. . .

Whereas the governing powers of Canada might be assumed to mean the governments of the legislatures of the different provinces, that they shall be taken as representing the provinces.

Mr. WOODSWORTH: That is not what I had in mind. I do not think that is what the resolution states.

Mr. CASGRAIN: The powers you ask would be vested in the Governor in Council sitting in Ottawa?

Mr. WOODSWORTH: Oh no, not at all.

Mr. McCONICA: Does my hon. friend's resolution propose the abolition of provincial governments?

Mr. WOODSWORTH: No, it does not touch that matter at all. Things would remain just exactly as they are, except that we should have the right to amend our own constitution.

Mr. McCONICA: How do you propose to govern Canada as England is governed? There are provincial governments here, and this parliament could not have the power the English parliament has.

Mr. WOODSWORTH: I am not proposing the abolition of provincial government at all. Let me read the resolution, I do not know whether my hon. friend has read it carefully:

That, in the opinion of this House, the governing powers of Canada are constituted by the British North America Act as amended and as altered from time to time hereafter ought to possess under the British Crown the same powers with regard to Canada, its affairs and its people, as the Parliament of Great Britain possesses in regard to Great Britain, its affairs and its people.

Mr. VIEN: If this power were given to Canada to amend its own constitution would the hon. gentleman give us an idea of the amendments he would suggest?

Mr. WOODSWORTH: Well, I think that is rather a large order.

Mr. VIEN: I only wish to get a clearer idea of what my hon. friend would do under the new order of things.

Mr. WOODSWORTH: I think my proposition is very clear now. It might possibly be that in order to bring about some of the alterations which I have merely mentioned —for example a clearer understanding as to the relative jurisdiction of the provinces of the Dominion, as to any alteration in the Senate, or other such matters—it might be necessary to call a conference of the various provinces of the Dominion, and gradually work out a programme of such changes in the constitution as may be desirable. But I am not venturing at all to deal with these larger questions to-day; my resolution is a formal declaration which if passed will give us power to deal with such questions. That is all I wish to do at present, and in doing this I had in mind merely asking that we should make more explicit the powers which practically have been conceded to us since the war.

Mr. VIEN: I should like my hon. friend to allow me to put another question. I should like to know what he had in his mind as regards amending our constitution, with respect to the Senate, does not my hon. friend believe that we could amend the constitution of the Canadian Senate just as well as we stand to-day as we would be able to do with the amendments which he proposes? In respect of the rights of the various provinces I would imagine that before we follow him there, it will be necessary to have a further explanation of what he has in his mind as to changing the various powers that rest either with the federal parliament or the provincial legislatures.

Mr. WOODSWORTH: I can only cover the ground that I have already covered. What I have especially in mind is the solution of some of the difficulties we have encountered during the last two or three years. It is quite true that we might possibly pass a resolution with regard to the Senate in this House, but in order to obtain any action we would require the support of the Senate itself, and then we should need to go over to the British parliament, to another and superior power, in order to ask them to consent to the

change. I say that we ought to have the power of deciding here in this country what form of administration would best meet the needs of Canada. I think that should make clear what I had in mind. As to particular instances of disadvantages under which we labour, there are matters in regard to our internal affairs that have arisen in connection with our industrial life during recent years, and for which there does not seem to be any adequate provision in an act drafted so many years ago when conditions were not as they are to-day.

Mr. MARTELL: Does the hon. gentleman propose to amend the constitution so that the parliament of Canada may take from the provincial legislatures powers which were given to them at confederation?

Mr. WOODSWORTH: That is not my suggestion.

Mr. MILLAR: Is it my hon. friend's thought that each province of Canada should have the same powers as the states in the United States have at the present time, that each should have a constitution of its own with power to amend that constitution?

Mr. WOODSWORTH: No, I do not go that far. I had not the United States in view, nor did I contemplate any particular change in our form of government. Of course at the present time each province has more or less of a constitution of its own under the British North America Act, but if this resolution were carried, and we proceeded to act along these lines, we would have it in our power, in consultation with the different provinces, to alter the constitution in such a way as would meet the immediate needs with which we find ourselves confronted.

Mr. VIEN: Have we not already all that is required to amend our constitution? Can we not suggest this amendment, and is it not a safeguard for all concerned to have an appeal to the Imperial parliament to protect those interested?

Mr. WOODSWORTH: No, I do not think we have any power along that line. We may go to the Imperial parliament with certain requests. We have no powers whatever; and as to the safeguards, as I said in an earlier part of my address I cannot see why we should have such absolutely colonial minds that we believe we must go to some imperial power in order to let them tell us what we may do. That point came to a great many of us very clearly with regard to matters of peace and war. I urge that we have a perfect right in this country—and I say this because I have a good deal of the old spirit of British independence in my own make-up—to decide whether we want to send our men to the front as have the people who live in England, and I do not say that in any disparagement of the people in England, but because I consider myself British, shall I say, from away back, for generations? It is not that I am at all repudiating British traditions; it is because I am cherishing British traditions and want to see them carried forward in this country.

Mr. T. H. McCONICA (Battleford): I think this resolution is rather ill advised. We have not such a form of government as they have in England. Our governmental powers are divided between the provinces and the Dominion. Certain authorities and certain governmental powers are vested in the provinces. Certain others are reserved to the Dominion. Now, that is not so in England. Their whole power is vested in the Imperial parliament, and for us to pass a resolution that this House should possess the same power as the parliament of England means that we abolish provincial governments.

Mr. WOODSWORTH: I wish the hon. member who is speaking would read the resolution. It does not suggest at all what he has been trying to make it suggest.

Mr. McCONICA: You take away the power. If the power is all vested in this parliament, what is the use of provincial governments? You must divide somewhere. You must say "this is vested in one authority and these things are vested in another"; and you would not allow one to trench upon the authority of the other. Therefore, I say the resolution is not well stated at least. You cannot preserve the provincial governments and pass this resolution as it stands. I do not look with much favour upon this idea that the British North America Act is interfering very much with the people of Canada. I think the people of Canada under that act are as free as any people on the face of the globe. In what way is the Mother Country impeding us in any direction? We make our country what we see fit to make it. All powers, so far as our own affairs are concerned, are vested in us, and there is not a man, woman or child in Canada who has felt the least restraint in the last twenty-five years because of the influence of the Mother Country. The hon. gentleman says we should have the right to determine whether we should go to war. We have that right. That right was recognized when the British North America Act was passed. For ages it has been the boasted right of England to control her warlike representatives by re-

fusing supplies. She had the strangle-hold on her rulers who saw fit to go to war. She could withhold supplies. When the British North America Act was passed, that power was placed in the hands of the Canadian parliament. We have that right and have always had it, and it is a distinct recognition of our right to determine when we shall send our sons to war, and what more do we want? Why should we reaffirm it? I see nothing in this resolution that should recommend it to any single member of this honourable body. Why, he says, we are told that certain things are provincial. Of course they are. But that is necessary as a result of maintaining the provincial governments. I look upon this resolution as ill-advised, and hope the hon. member will withdraw it.

Mr. THOMAS VIEN (Lotbiniere): I had expected that the hon. mover of this resolution (Mr. Woodsworth) would present some argument to show us that it was opportune at the present time; and that he would show us how we were prevented in the past from having amendments to our constitution adopted by the Imperial parliament. He has not shown us that such amendments have been refused. The hon. gentleman has failed to answer our questions in detail. He hinted at a debate which took place last year in respect to some labour trouble which occurred in the western provinces, and in regard to which the question of provincial rights was raised. It was a question of contract, of a closed shop—

Mr. WOODSWORTH: I should like to know what the hon. gentleman refers to. I referred to no labour trouble whatever.

Mr. VIEN: I understood that my hon. friend raised the question of a closed shop, in a debate late last session.

Mr. WOODSWORTH: I raised no such question.

Mr. VIEN: My memory may serve me badly; but my hon. friend has said that in several instances the question of whether a right was federal or provincial was raised in this House, and that it was often impossible to find out whether it was within the purview of the federal parliament or of the provincial legislature; and that was one of the reasons he put forward to prove that his resolution was opportune, if I understood him rightly. I say, Sir, that this is not a good argument to prove that the resolution is opportune. The constitution of Canada, to be found in the British North America Act, provides certain powers which were given to the federal authorities, and certain powers which were left to the provincial legislature. My hon. friend would like to bestow on the governing powers of Canada authority to amend our constitution without reference to the British parliament. This needs further explanation. What are the governing powers? The governing powers of Canada under the British North America Act are this parliament and the provincial legislatures. Therefore, if the provincial legislatures and this parliament were united in suggesting an amendment to our constitution, no doubt such an amendment would pass, and no power under the sun would object to such an amendment, and since 1867 several amendments have been brought to the British North America Act and there has been no objection whatever.

Mr. McMASTER: Does the hon. member think it consonant with the dignity of a sovereign state to go to the legislature of another state to ask permission to change its constitution?

Mr. VIEN: There is much in favour of the contention that Canada has now reached an age where it is time to sever all tutelage. There are quite a few who, though recognizing the King of England as the head of this state, would like that all other powers be vested in Canada and Canada alone. In respect of that, I am in sympathy with much of what was said by my hon. friend; but Canada has a very peculiar complexity. Many students of conditions that prevail in Canada have said that we have not one country, but five, on account of difference of interests, difference of ideals, difference of ambitions and aspirations of the various sections of our country. Some think the Maritime provinces, Quebec, Ontario, the prairie provinces and British Columbia differ materially from one another in respect of, not only tradition, but aspirations and interests.

Mr. IRVINE: Does the hon. member mean to suggest that a country 3,000 miles away can understand this peculiar complexity of Canada better than we can ourselves?

Mr. VIEN: I was coming to that very point, and if my hon. friend will bear with me patiently, I think I can completely satisfy his query. I was saying that the differences of interests, aspirations and character that distinguish these various provinces made it imperative for the British parliament, when they enacted the British North America Act, not to centralise the powers, but to give to the different provinces a certain self-determination and home rule within their own provinces for local affairs. My hon. friend, in explaining the purport of his resolution, led me to

understand that one of his purposes was to change materially the province of the federal and provincial powers; that he had in mind to further the change in the scope of the authority of the federal and provincial powers.

Mr. IRVINE: If the peculiar conditions of Canada are such as to require that power shall not be centralized, does my hon. friend suggest that if we had the power to make our own constitution we would be foolish enough to centralize it when it should not be centralized?

Mr. VIEN: Before being able to judge fully the object of this resolution, I wanted to determine what my hon. friend had in mind as a motive for the resolution, and the only motive that I could detect from his explanation was the fact that, in a discussion which took place, he was sent to the provincial authority because it was a matter within provincial jurisdiction. That was the main reason which he gave for introducing his amendment. In respect of the Senate, which was the other reason, I think I showed, and he admitted, that the amendment would by no means help him to solve the question. It will not be easier to amend the constitution of the Senate when the remedy that he suggests has been introduced into our constitution. Therefore, if what my hon. friend has in mind in bringing about the proposed amendment, is to restrict the provincial powers and to enlarge the powers of the Dominion as regards the scope of its legislative authority, I think we must object to that.

Mr. WOODSWORTH: Might I urge that that is not a true statement? There is no thought of restricting the powers of the provinces; there is not a word in the resolution looking to that, nor was there in my speech The governing powers are the federal and the provincial governments. The hon. gentleman seeks a motive. I was very frank in answering his questions and I would ask him: Is any ulterior motive manifest?

Mr. VIEN: I asked my hon. friend what were the amendments which he had been unable to promote and which he would suggest in the future; I asked him what was the real motive behind the resolution. And, outside of the amendment to the constitution of the Senate, the only reason that he could give me was that at a time, when raising a question here, he was referred to the provincial authorities. I may say, for ourselves, the hon. member for Bonaventure (Mr. Marcil) was absolutely right when he said that

confederation was a contract. It was a contract entered into by all the colonies that constituted British North America at the time. This contract was entered into in full cognizance of the conditions that it created, and my hon. friend cannot to-day contend that that contract, which is the basis of our confederation, can be amended by any central authority. I understand the hon. member for Charlevoix-Montmorency (Mr. Casgrain) put him a question to cause him to define more clearly what he meant by the governing powers of Canada. The governing powers of Canada are the federal parliament; the powers that govern the provinces are quite different.

Mr. McMASTER: I would like to draw the hon. member's attention to the fact that the words in the resolution read:

> The governing powers of Canada as constituted by the British North America Act.

And I think they are plainly the federal powers plus the provincial powers.

Mr. VIEN: Even at that, I contend that it would not be opportune to introduce a resolution which is supported by the argument offered by my hon. friend. I sympathise very fully with the idea of obtaining for Canada a greater degree of autonomy, and a couple of years ago I suggested that it was hardly in keeping with the dignity of Canada to send the cases in our courts of justice, for instance, to the final appeal of the tribunal sitting in England. Outside of the question of the royal privilege of granting a pardon to criminals, and the question of our constitutional rights, I would simply do away with appeals to the Privy Council. It seems to me that the Supreme Court of Canada can well dispose, in last resort, of all our cases. Then, again, there is the question of our representation abroad. It is humiliating for a Canadian in Paris, in London, or elsewhere—but particularly in Paris and in foreign countries on the continent—not to have the right of acting through a fully accredited representative of this country in touch with the government of the country in which he happens to be at the time. I know of a distinguished Canadian statesman who wanted to have an interview with President Poincaré at Paris and he was unable to do so through any representative of Canada in that city; he had to go through the British Embassy to secure, through the diplomatic channel, an interview with the President of the French Republic. Yet a national of Monte Carlo could easily obtain an introduction to the French President through a representative of his own country.

Mr. JACOBS: That is probably because he knows how to play the game.

Mr. VIEN: They are independent and have accredited representatives near the heads of foreign states. I repeat, it is quite humiliating for Canadian citizens to be unable to do the same. I understand that this humiliation is felt to-day by our representative even in London, who. in all public functions, is not on the same footing, has not the same precedence, as the representatives of much smaller countries abroad. Changes in respect of such questions as these are desirable and advisable. But as to the suggestion of my hon. friend, namely, the elimination of certain differences between the provinces and the restriction of provincial rights, or the changing of our fundamental basis of government in relation to the jurisdiction of the provinces and the federal government, I say that he has failed to prove, at least to me, that his resolution is at all timely or desirable; and unless he can implement his explanations I shall be compelled to vote against his motion.

Hon. J. B. M. BAXTER (St. John City and Counties of St. John and Albert): One of the most remarkable things about this resolution is the fact that no one seems to know precisely what it means, and least of all, I think, the hon. gentleman (Mr. Woodsworth) who introduced it. Under these circumstances, is it quite worth while for us to take up any considerable length of time in debating it? We are face to face this year with a programme that apparently makes for economy. This House is asked to pare down the Civil Service considerably and to effect stringent economies in every department. Is it, then, too bold a thing to suggest that we should begin the practice of economy in this House by setting an exemple to the country in confining our discussion to things of real and immediate interest to the people, to things of immediate and vital value, instead of spending our time discussing mere academic questions with reference to which no one in the country is at all excited and no substantial body of people want any alteration? That is the position I take; and to economise the time of the House I shall refrain from making any extended remarks on the question under consideration. I will simply crystallize my suggestion in an action which I hope the House will endorse: I move that the resolution be further considered this day six months.

Mr. McMASTER: I will not attempt—

Mr. BAXTER: The motion is not debatable.

Mr. McMASTER: I will not—

Mr. SPEAKER: It has been moved by Mr. Woodsworth, seconded by Mr. Irvine.

That, in the opinion of this House, the governing powers of Canada as constituted by the British North America Act as amended and as altered from time to time hereafter ought to possess under the British Crown the same powers with regard to Canada, its affairs and its people, as the parliament of Great Britain possesses in regard to Great Britain, its affairs and its people.

To which Mr. Baxter moves in amendment, seconded by Mr. Stevens, that the motion be further considered this day six months. The question is on the amendment.

Mr. MACDONALD (Pictou): I submit, Mr. Speaker, that the amendment is debatable, and the hon. member for Brome (Mr. McMaster) has the floor.

Hon. H. H. STEVENS (Vancouver Centre): I beg to say a few words, since my name is coupled with the amendment as seconder. I agree with the sentiments expressed by the mover of the amendment, (Mr. Baxter) in this respect, that undoubtedly there is no demand amongst the public of Canada for any change in the constitutional status of this country. While I quite agree that academic questions of this kind are properly brought before the House for discussion, nevertheless I am opposed to the principle set forth in the motion, and I merely rise at this time to place my position clearly before the House. I think the suggestion is a proper one that it might be more profitable to have the question set over for consideration at some future date when there are not so many pressing and more practical problems before the House. In the meantime any hon. member of the House who is vitally interested in the question of changing the constitutional status of Canada might very well be given some opportunity for the expression of an opinion on such a highly important matter, without an attempt being made to force the House at this time to come to any conclusion regarding it.

Mr. ANDREW McMASTER (Brome): It is not my desire to discuss the wisdom of the motion, but I presume I shall be in order in taking up very briefly the subject matter of the resolution. I would first draw to the attention of the House the fact that the resolution provides that the governing powers of Canada, as constituted by the British North America Act as amended and

as altered from time to time hereafter, ought to possess, under the British Crown, the same powers with regard to Canada as the parliament of Great Britain possesses in regard to Great Britain herself. In respect of a great deal of what the hon. member for Centre Winnipeg (Mr. Woodsworth) has said, I am in complete accord. I think, however, there are certain aspects of his speech and of the resolution which are open to misconstruction, and therefore it seems to me it would be wise to make a slight amendment to the resolution as drafted, and this I purpose to do before sitting down.

There are some in this House and in the country who possess the "colonial mind" and who hug to their hearts the idea of subordination. I am inclined to believe, and with joy, that those people are becoming less and less numerous year by year. And I rejoice to think that the development of the spirit of Canadian nationhood has not been carried on under the auspices of any one political party. Sir John A. Macdonald was a strong nationalist, Edward Blake was a strong nationalist, Sir Wilfrid Laurier was a strong nationalist, Sir Robert Borden was a strong nationalist, and therefore I believe that we need not make of this a party question. I think we all desire to see Canada grow to the full stature of nationhood, and that we do not wish to feel as citizens in a free state that our state is subordinate to any other state, or that we possess less rights of nationhood than, let us say, Uruguay or Ecuador. I think I can leave that aspect of the question for the moment.

The member for Lotbinière (Mr. Vien) was right when he said, we have a peculiar country with certain complexities which perhaps do not exist in other countries. I suggest, however, that the very best welding factor which exists in this country is the spirit of nationhood, and that the more and more we become imbued with a sane national spirit—not a narrow, not an insular national spirit; I wish to see our national spirit developed side by side with a sane international spirit—the sooner we shall become truly national in our outlook, which will make us put in the forefront the great fact that we are all Canadians, and that our differences are merely secondary in importance. I do recognize, as every student of our constitutional history must recognize, that the British North America Act was of the nature of a contract ratified and consecrated by legislation, and that we must be very careful to see that any power which would be given to the Canadian people to change their constitution must be exercised with the consent of the original four parties to the constitution. Therefore to bring my remarks to an end, because I do not wish to unduly delay the House, I propose, seconded by the hon. member for North Wellington (Mr. Pritchard):

> That the following words be added to the resolution: "That no amendment of the British North America Act should be effected except with the consent of the majority of the provinces, in which majority the provinces of Nova Scotia, New Brunswick, Quebec and Ontario should form part."

Mr. MEIGHEN: Oh, oh.

Mr. McMASTER: My hon. friends in the other corner of the chamber are amused by this amendment. The Americans have the right to amend their constitution after two-thirds of the states have delivered their approval. Is there, then, anything ridiculous in the proposal that we should have the right to amend our constitution?

5 p.m.

Mr. MEIGHEN: I was not amused at that, but at the distinction the hon. gentleman draws between the importance of the various provinces.

Mr. McMASTER: It is not the ground of the difference of importance, it is because we might propose to change the original contract, and it would only be right to have the people who made the original contract consent to its change, because a contract cannot be changed unless all the parties thereto agree. I do not see anything ridiculous in the proposal.

Mr. VIEN: If my hon. friend agrees that it is a contract, how can he suggest that the majority of the contracting parties can compel one of their number to agree to an amendment?

Mr. McMASTER: That is precisely what I have guarded against by providing that an amendment can only be made by a majority of the provinces, in which majority the four original contracting parties must form part.

Mr. VIEN: I think my hon. friend has failed to understand my question. Perhaps I did not put it with sufficient clearness. Does not my hon. friend see that if he agrees that the British North America Act is a contract, by his amendment he compels a contracting party to be ruled in respect of any proposed amendments by the majority of the contracting parties?

Mr. McMASTER: No.

Mr. VIEN: To change a contract agreed upon, you must have the consent of the contracting parties.

Mr. McMASTER: I thought I made that perfectly clear. That is just what I wish to avoid.

Mr. VIEN: No.

Mr. McMASTER: Let me take a specific case. Suppose we had the right to amend our constitution, and it was decided to make the Senate elective, the amendment would have to be passed by the parliament of Canada, it would then have to be agreed to by a majority of the provinces, and in that majority each one of the following provinces would have to form a part—New Brunswick, Nova Scotia, Quebec and Ontario. We would have to have the four original contracting parties as a unit and agreed before the change could be made.

Mr. MEIGHEN: Does the hon. gentleman consider, for example, British Columbia any less a contracting party than New Brunswick, inasmuch as British Columbia afterwards, seeing the terms of confederation and the provincial rights there accorded, said, "By way of contract we are ready to come in and agree?"

Mr. McMASTER: There might be something in what my learned and right hon. friend suggests, it might be necessary to have British Columbia form one of the majority. It had escaped my notice for the moment that the province of British Columbia was in the same position as the four original contracting parties.

Mr. MEIGHEN: And also Prince Edward Island.

Mr. HUGHES: Every one came in under those conditions.

Mr. MEIGHEN: Certainly.

Mr. MICHAUD: I think I have a way to solve the whole question.

Some hon. MEMBERS: Hear, hear.

Mr. MICHAUD: Will the hon. member withdraw his motion?

Mr. DEPUTY SPEAKER: With regard to the motion moved by the hon. member for St. John City (Mr. Baxter) seconded by the hon. member for Vancouver Centre (Mr. Stevens), "That this resolution be read a second time this day six months"—

Mr. MEIGHEN: I do not like rising to a point of order in respect to a motion moved by so prominent a member as the hon. member for St. John City (Mr. Baxter), but really I do not think a motion asking for the deferring of the reading of a resolution such as this is in order. A resolution is not read, it is considered, and passed or rejected. The motion would have to be that the resolution be passed this day six months, which would certainly be out of order on the very face of it. I do not recall the six months' hoist being moved in regard to a resolution of a private member.

Mr. MARCIL (Bonaventure): The only resolutions which are read a second time are those which have to be concurred in, usually from Committee of Supply and Ways and Means; but this resolution is not of that kind, and the amendment is out of order.

Mr. DEPUTY SPEAKER: The motion moved by the hon. member for St. John City, seconded by the hon. member for Vancouver Centre is out of order, the resolution now before the House not being one which requires to be read a second time. For the reasons stated by the right hon. gentleman I quite agree that it is out of order, and must be ruled out of order, and I would cite Beauchesne's Rules, paragraph 512, as indicating that authority clearly. The question is on the amendment moved by the hon. member for Brome (Mr. McMaster) seconded by the hon. member for North Wellington (Mr. Pritchard):

That the following words be added to the resolution, namely: Provided that no amendment of the British North America Act should be effected except with the consent of the majority of the provinces, in which majority the provinces of Nova Scotia, New Brunswick, Quebec and Ontario should form part.

Hon. ERNEST LAPOINTE (Minister of Justice): I wish to say only a word or two on the resolution. With many of the arguments set forth by my hon. friend who introduced the resolution (Mr. Woodsworth), I would rather be in agreement. On the other hand, I think he does not consider the powers of Canada as possessed to-day as great as I consider them myself. I think this resolution implies that we are in a state of subordination, which I do not think we are in. My hon. friend seems to believe that we are not in any way in possession of the powers of the people of Great Britain with regard to their own legislation and administration. That is not the feeling, the view, the opinion, of Canadian public men during recent years. We certainly have had evolution in this country, and there are articles which have been added to the British North America Act possibly which are not written in the act. May I quote the words of Sir Robert Borden with regard to the powers of Canada as compared with the powers of Great Britain? I am quoting from the memorandum which he circulated in March, 1919, prior to the signature of the Peace treaty, and here are his words:

The Crown is the supreme executive in the United Kingdom and in all the Dominions, but it acts on the

advice of different ministries within different constitutional units, and under Resolution 9 of the Imperial Conference, 1917, the organization of the Empire is to be based upon equality of nationhood.

That is the principle now admitted not only by Canadians but by British statesmen, and my hon. friend himself said that he could not conceive that Great Britain would ever refuse to pass any legislation changing our constitution or refuse even to give us the right to change it, Now what does that mean? It means that the position we are in is of our own making, and it is. There is no inferiority or subordination in a state which we want to have ourselves, and which we have made ourselves. The British North America Act and the limitations which are imposed upon our powers, if there are such limitations, are made of our own free will. There is no inferiority in that. It is the result of a treaty as my hon. friend from Lotbiniere (Mr. Vien) said. It is a treaty between various colonies which entered into an agreement. They fixed what the powers of the central parliament should be, and they also fixed what the powers of the various provinces which succeeded the colonies of that time would be, and this was ratified and accepted by the Imperial parliament of the time. Everything we have or have not is because we wanted it so. Now this treaty cannot be changed, it has been the contention of many constitutional authorities, and I think it is only fair that no change should be accepted, without the consent of all those who were parties to it. It is a sacred treaty just as is any other treaty; it is no "scrap of paper."

My hon. friend from Brome (Mr. McMaster) suggests that if we have the power to amend our own constitution, because after all I think that is the only power which we do not possess without applying to the Imperial parliament to ratify our will in the matter, that power should not be exercised without the consent of the majority of the provinces, and in that majority he includes Quebec, Ontario, Nova Scotia, and New Brunswick, which were parties to the original contract. Now I ask, would the other provinces of Canada relish being placed in such a state of inferiority? Would such a suggestion be accepted by the other five Canadian provinces? I think it would be a source of conflict and difficulty. I do not think it could be accepted. The only other way would be to have unanimity on the part of all the provinces agreeing to a change before that change should be made. Perhaps this might be discussed, if we ever go to the limit proposed by my hon. friend from Centre Winnipeg (Mr. Woodsworth). This is, of course, a very important matter, and it is rather unfortunate that it comes up at this stage of the session when members of the House have not had the time and the opportunity to study and consider it. I think my hon. friend has served his purpose by placing the whole question before the public of Canada, and perhaps he would be well advised to withdraw the resolution for the present time and give the people of Canada, as well as the members of the House, the time and opportunity to consider the various phases of this question. There are people who think that the written constitution fixing the powers and the limitations of the authorities of the governing bodies is a better one than a constitution which is not written, and which is modified as the British constitution has been modified in the course of centuries to meet practical necessities as they arise. This question is a debatable one. But after all, I do not think we have to suffer very much from the condition as it is to-day. Every time we have claimed a right or a power we have merely exercised it, and nobody has complained about it. I do not think it is absolutely necessary to assert, as in this resolution, the power and the authority which we possess, and the limitations, which are all of our own making and of our own free will.

Mr. W. C. GOOD (Brant): It does seem to me that the suggestion just made by the hon. Minister of Justice (Mr. Lapointe), which would involve the concurrence of all the provinces, is perhaps the only way out if we are to understand that the British North America Act is a definite contract. It seems to me it might be well worth while considering if, with that understanding it is not advisable to proceed to some definite recognition of our right of self-determination. It may be all right, as the minister has just said, that we have these powers, but nominally, we do not have them and we choose to assert our powers in spite of our status, which denies them. It might be worth while at some time in the not distant future to consider the propriety of explicitly defining our status, and giving to us in a definite and explicit way that power which we are said to possess in connection with amending our own constitution. In regard to the remark of the hon. member for Bonaventure (Mr. Marcil) as to the British North America Act being a

contract, and therefore how can it be altered, surely we must admit that contracts must be open for modification.

Mr. VIEN: My hon. friend will allow me on one point—with the consent of all contracting parties, but no party being committed to the amendment by a majority of the others.

Mr. GOOD: Yes, Mr. Speaker, I think the hon. member has put the point very clearly indeed. However, the point I wish to raise was not that, but this: Evidently the objection that exists in the minds of many as to this proposal is the fear that Canada will not protect provincial rights as well as Great Britain. It was not definitely stated, but I think that fear is latent in the minds of a great many, and they are relying upon the British government to protect them in the maintenance of provincial rights. Well, I just want to suggest that after all, when it comes down to the last analysis, the Canadian parliament is just as capable of protecting the provinces in the enjoyment of their special privileges and rights, and just as willing to do so, as Great Britain. It may be just as well to recognize that frankly.

There is only one other point I wanted to refer to and it deals with a practical problem: What are we going to do about the Senate? I am not a constitutional lawyer, but I presume that so far as the Senate and the Commons are concerned they have co-ordinate powers, and we have been perpetually and everlastingly blocked from doing anything to reform the Upper Chamber. Is there any way of securing either Senate reform or Senate abolition without the consent of that body? We do not want to be reduced, at this stage in the history of the world, to the methods that were adopted in the time of Cromwell; and yet it is a practical difficulty we are up against. I should like to see some proposal made as to how to go about settling this difficulty; we shall have to tackle it sooner or later. Apparently we are blocked. This matter has been discussed for years and years. It has been generally admitted that our Senate is antiquated, to say the least, and that it does not function properly. Are we going to be for ever reduced to inefficiency because of certain constitutional limitations that have been placed upon us? I should like to see this practical problem dealt with in a practical way. And then, in connection with that practical problem, the general question of having our rights defined in respect to the modification of our own constitution appeals to me. I repeat, Mr. Speaker, that I think it might be worth while to take this matter up again, possibly not in the immediate future but when people have had the chance to think over it, and to devise some definite method of asserting those rights which I think it has been admitted we do possess, and I sincerely trust that the Minister of Justice (Mr. Lapointe) and those others,—and there are many of them in this House who are interested in this matter—will bring forward some practical suggestions in that direction.

Mr. ROBERT FORKE (Brandon): I only wish to say a few words in placing myself on record in this matter. I think I am very British in sentiment, and yet at the same time I am an absolute believer in Canadian nationality. I think it was Carlyle who said "Do the duty that lies nearest to your hands", and we have a great many duties lying very close to-day that demand our immediate attention and perhaps are going to be very difficult to solve. I do not think we are suffering any great injustice, or any great grievance, at the present time, so far as the British government is concerned.

I admit the truth of what the last speaker stated, there may be some difficulty in reforming the Senate. But I do not believe it is going to be reformed this session anyway. In any event we are doing very well. There are a good many of these things that we must solve, and solve once and for all, before we start out for absolute nationhood. However, I just wanted to put myself on record. If this comes to a vote I shall vote against the resolution and amendment.

Right Hon. W. L. MACKENZIE KING (Prime Minister): When I read the resolution of my hon. friend I thought it was a mere assertion of the position I had always regarded we had in Canada. I confess that as I listened to his speech I began to see that the interpretation he was putting on the words of the resolution was different not only to what I conceived its purport to be but different also, I believe, to what Sir Clifford Sifton ever intended. My hon. friend says he has taken it from some resolution or some address of Sir Clifford Sifton. I am perfectly sure that Sir Clifford Sifton is too good a constitutional lawyer not to include under the heading "governing powers of Canada" the provinces as well as the Dominion. I am perfectly certain that Sir Clifford Sifton, when he drafted the resolution, or delivered the address referred to, wished to make it clear that so far as the powers—legislative, executive or judicial powers—of this country were concerned in regard to Canadian affairs, divided as such powers are between the prov-

inces and the Dominion, that taken together they to all intents and purposes should be the same as the powers of the British parliament in relation to the British people and their affairs. Now, the fact that my hon. friend in his own interpretation of his resolution has placed a different interpretation from that which I think most members of this House place upon it—

Mr. WOODSWORTH: I did not ignore the provinces as being part of the governing powers of Canada.

Mr. MACKENZIE KING: I heard what my hon. friend said and I think he has already been corrected in the particular I have mentioned, not only by myself but by other members who have spoken. I gathered distinctly from his remarks that the "governing powers of Canada" as referred to by this resolution, related to the powers of the federal parliament and ignored the powers of the provincial legislatures.

Mr. WOODSWORTH: I have already stated two or three times that that is an entire misunderstanding of my position. By "the governing powers of Canada" I have reference not merely to the federal authorities but to the provincial authorities as well.

Mr. MACKENZIE KING: I am very glad indeed to hear my hon. friend give that interpretation because I think without it the resolution would not represent the opinions of the gentleman whose words have been quoted with respect to it.

Now as to the governing powers of this parliament and the provinces combined, I contend, Mr. Speaker, that to all intents and purposes this parliament and the legislatures of the several provinces have, with respect to Canadian affairs, as regards everything except the amendment of our constitution, exactly the same powers as the parliament of Great Britain has in relation to its people and their affairs. If that be true what is the necessity of creating, not only in this House but throughout the country, an impression that at this stage of our existence as a nation we possess a colonial status which not a single member of the House is prepared to admit we have. The resolution considered in relation to the speech made by my hon. friend would convey the impression to the people of Canada and to the people of Great Britain, and to people in other countries throughout the world that we in Canada, in some particular, felt our subordination. I do not know any particular in which the people of Canada, speaking broadly and generally, feel any sense of subordination whatever. Nor do I believe there is in fact any position of subordination. Take the one matter of the right to amend our own constitution; if the representatives of the Dominion government and the representatives of the provinces met together, framed any amendment they wished to the British North America Act and asked the parliament of Great Britain to sanction that amendment, is there a single member of this House who believes that the British parliament would hesitate to carry out the wish of the Dominion and the provinces in that regard? If that be true, are we not merely creating a shadow to obscure the reality and substance which is that, with respect to their own affairs, the people of Canada can do as they like, just as much as the people of Great Britain can do as they like in regard to their own affairs.

Mr. GOOD: What about the question of appeals to the judicial committee of the Privy Council? Are we not in a position of inferiority?

Mr. MACKENZIE KING: I would say that if the people of Canada ever decided it was unwise to have an appeal to the Privy Council, and asked to have an amendment in that particular, it would be made. There is no limitation put on us in virtue of some position which is being taken from across the sea. As the hon. Minister of Justice (Mr. Lapointe) said, any limitation which exists, exists in virtue of the circumstance that, everything being considered, it has been thought wisest and best by those who have had to do with the maintaining of the constitutional relations of the country to keep it so.

Mr. IRVINE: When the government of Great Britain recently recognized the union of the Soviet Republic, did that mean that Canada had also recognized that union? Or has the Canadian government recognized them separately?

Mr. MACKENZIE KING: The Canadian government will take its own position in regard to the Soviet republics, just as we would take our position in regard to anything else.

Mr. WOODSWORTH: On that point, I should like to ask a question. A year ago a gentleman applied for a passport to Russia, but the office of the Secretary of State for External Affairs advised him that it was impossible to secure passports from Canada to Russia, since Great Britain did not recognize Russia.

Mr. MACKENZIE KING: When Great Britain takes a certain position in an international matter, the Dominion government may, for the same reason, take a similar position; but so far as the question of whether or not Canada in any particular matter affecting its own people and their relations with other countries is concerned, we will exercise in these matters the same rights as the parliament of Great Britain would exercise in relation to their people and their relations to other countries. In order that my hon. friend may not have reason to think that this is a mere theory, let me say that what I am saying at the moment is the position I took at the recent Imperial Conference in England, and it was taken in the very words of the resolution which my hon. friend introduced here. Repeatedly, in regard to questions which were presented before the Conference, I stated that, so far as I was concerned, I was simply a representative of the government of Canada, I was one among a number of ministers, and that all of my colleagues should have the same right to pass upon a question which affected the people of Canada as I had, just as British ministers had equal rights with the Prime Minister of Great Britain. But I went further than that. I said that not only would I hesitate to speak in the name of the government of Canada. but that I would assert, with respect to any matters likely to bind the people of Canada in any way, that the parliament of this country should have the final say, and I took the position that our government and our parliament, with respect to Canada and its affairs, was in exactly the same position as the parliament of Great Britain was, with relation to the affairs of the people of Great Britain. That position was never contested or questioned. No one raised objection to it, no member of any dominion government, and no member of the British government. But more than that, the members of the conference were prepared to go the length of stating that position in black and white in the proceedings of the conference itself. My hon. friend spoke a moment ago about defence. He said we ought to have the right to say what we were going to do in the matter of going to war, or what we were going to do in the matter of military expenditures and the like. If my hon. friend will read the report of the Imperial Conference, page 16, which deals with the question of defence, he will find the following:—

(1) The conference affirms that it is necessary to provide for the adequate defence of the territories and trade of the several countries comprising the British Empire.

(2) In this connection the conference expressly recognizes that it is for the parliaments of the several parts of the empire, upon the recommendations of their respective governments, to decide the nature and extent of any action which should be taken by them.

What could be more definite and clear? There is an emphatic declaration that, in regard to military matters, participation in war, or any question of the kind, it is for this parliament to decide the nature and extent of whatever action, if any, is to be taken by this country.

Mr. WOODSWORTH: Might I ask if my right hon. friend's interpretation of that little phrase which he throws in "whatever action, if any" is that Canada is absolutely free from any responsibility should her parliament so decide?

Mr. MACKENZIE KING: So that there may be no mistake I will read the words again—

In this connection the conference expressly recognizes that it is for the parliaments of the several parts of the empire, upon the recommendations of their respective governments, to decide the nature and extent of any action which should be taken by them.

I take that to mean exactly what it says. If parliament decides that no action is to be taken, no action will be taken. If parliament decides that action to a certain extent shall be taken, it will be taken to that extent and no further. That is what the language means. It is as plain as English can be.

Mr. WOODSWORTH: What does the first clause mean?

Mr. MACKENZIE KING: It means exactly what it says. It says—

(1) The conference affirms that it is necessary to provide for the adequate defence of the territories and trade of the several countries comprising the British Empire.

Several countries.—Australia, Africa, New Zealand, Newfoundland, Canada, the British Isles—are all countries comprising the British Empire. In the words of the resolution it is necessary that they should provide for the defence of their trade and territory. Does my hon. friend say that Canada should not attempt to provide for the defence of her territory or her trade?

Mr. WOODSWORTH: What I would submit, Mr. Speaker, is that the words of the first part of the resolution seem to imply that Canada has certain imperial responsibilities. Does the Prime Minister deny that?

Mr. MACKENZIE KING: I hope the day will never come when I will deny that Canada has some responsibility to other parts of the British Empire as well as to herself, and I hope the day will never come when Canada will hesitate to recognize her responsibility, but I say that that responsibility and the extent of it will be determined by this parliament and will be determined, I believe, in a manner which will accord with the hearts and the feelings of the people of this country.

Mr. CAHILL: Is the resolution adopted at the Imperial Conference recognized in international law as binding other countries as well as the members of this Imperial Conference? Would any country, if it were at war with any portion of the British Empire, recognize our standing as free to determine whether we could go to war or not; or could they attack us?

Mr. MACKENZIE KING: That is another question, which I think is open to debate; at another time we might debate that particular question.

I think I have made myself perfectly clear as to what the position of this parliament is with respect to matters affecting the Canadian people when a comparison is being drawn between the rights of this parliament and the rights of the British parliament in a similar connection. Let me go a step further. My hon. friend spoke about questions of foreign policy. I took the position at the Imperial Conference that Canada had matters of foreign policy which were pretty largely exclusively of her own concern; that the greater part of our foreign policy was concerned with questions affecting our neighbours immediately to the south, and that it was for us to decide those questions and to act on our own initiative. That point was never disputed, never questioned for one moment. There are other obligations which Canada has, of an international character, which are larger and wider in their bearings and ramifications, and which may affect other parts of the British Empire. In those circumstances, surely we would expect to give the same treatment as we would expect to have meted out to us, namely, to consult with other parts that may be affected before final action is taken. Let me read the statement which the conference made in regard to foreign policy. It will be found at page 13:

> This conference is a conference of representatives of the several governments of the Empire.
>
> [Mr. Mackenzie King.]

Stating in so many words the position of equality of status which has been referred to by the Minister of Justice (Mr. Lapointe).

> Its views and conclusions on foreign policy, as recorded above, are necessarily subject to the action of the governments and parliaments of the various portions of the Empire.

That is as emphatic a declaration as anything can be that with respect to foreign policy, the matters discussed at the Imperial Conference are not binding in any particular on this country and on this parliament, unless our government and parliament so agree. I contend when, with respect to matters of defence, of foreign policy and the like, it has been determined by an imperial conference that our government, our parliament, has the same rights with respect to those questions as the British parliament has in relation to its own people in regard to the same questions, the necessity for a resolution such as my hon. friend has introduced is, to say the least, questionable, as likely to convey an entirely erroneous impression when it is read abroad.

In regard to the one matter in which we are alleged to be in an inferior position, namely, the right to amend our own constitution, as I have already pointed out, if the different provinces that go to make up confederation were to unite with this federal government in any suggested amendment to the British North America Act, I believe the British parliament, regardless altogether of what the terms of that amendment might be, would immediately agree to pass the necessary amendment. If it would not, then would be the time to raise a question such as my hon. friend has raised. There have been four amendments to the British North America Act; one passed in 1871 relating to the establishment of new provinces, one in 1872 regarding the privileges of the Canadian parliament; one in 1896 regarding the representation in the Northwest Territories, and one in 1897 regarding provincial subsidies. So far as I know, these are the only cases in which the parliament of Canada has asked the British government to amend the British North America Act. When in that particular the British parliament has done all that we have requested, when we know that if we made a similar request, a like action would be taken hereafter, even to giving us the power to amend our constitution as we please, is it wise, if it gives a sense of greater security to the different provinces of the Dominion and to the Dominion itself, to have its constitution in the form of the written constitution in which it is at the

present time, at this particular stage to suggest that this parliament should take a course that is wholly unnecessary and that, if taken, would certainly create an erroneous impression both abroad and at home? Let me say that if I thought for a moment, the parliament of Canada combined with the legislatures of the several provinces had not, as respects the people and the affairs of Canada the same rights as the parliament of Great Britain has in relation to the people and the affairs of Great Britain, I would be the first to advocate a change in existing conditions. But believing that we have all the powers of a free people, all the constitutional rights and privileges which are enjoyed by British subjects in any part of the British Empire, I for one hesitate to disturb that impression in the least.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, we are asked by the hon. member (Mr. Woodsworth) to pass the resolution; by the hon. member for Brome (Mr. McMaster) to pass the resolution amended; and by the hon. member for Brant (Mr. Good) to carry the discussion over and to review it again another day. I am opposed to all three, and particularly to the suggestion of the hon. member for Brant. The resolution itself, I think, has been divorced from those pertinent facts that have to do with its merits, and a discussion has arisen on the rights of Canada at present, the amplitude of those powers and rights of which we boast so much. As regards the rights of the Dominion now, I am in complete accord with the words of the Minister of Justice (Mr. Lapointe); I am not quite so fully in accord with the words of the Prime Minister (Mr. Mackenzie King), because I do not think they were carefully enough expressed. That we have all rights as to our domestic affairs, there is no question at all, and we have other rights in respect of external affairs as well save to the extent that as yet we are not empowered to amend our constitution; nor do I think we are empowered as respects certain extra-territorial jurisdiction in regard to which some controversy has arisen.

I want to express my pleasure at not only the words of the Minister of Justice, but those of the Prime Minister respecting the position and rights of Canada at this time. That we can decide our own course in things domestic and things external, there is no question. I will go further and say that, save in respect of, perhaps, a feeling of obligation to minorities in Canada and a preservation of Great Britain's duty in regard to those minorities, there is no right the majority of the people of this Dominion want to assert that would be resisted for one moment by the authorities of Great Britain. Nor is it only true that our rights are ample now in respect of everything save what I have suggested, but they have been ample for years and for decades, ample for the last half century. The Prime Minister read from a resolution of the conference of 1923 to prove to hon. members that we have the right to decide whether we go to war or do not, just in the same way as Great Britain has the right to decide, under all the circumstances of the hour. Yes, we have that right. That resolution was passed; but similar resolutions have been passed at conferences for years back, and one almost in the same language was passed at the conference of 1921. There has not been, from any one in authority or recognised in any sense as having a voice, whether in this country or in the Old Land, a word or a breath to dispute that right on the part of Canada for decades, and all talk about this being a recent achievement is simply a dramatic attempt to burst heroically through an open door.

I now come to the portion referring to the so-called attributes of nationhood that we do not possess. The hon. member is quite right. To South Africa, to Australia, the latter being a federacy, the same as Canada, having what we call provincial authorities and governments as well as federal—to those dominions the right to amend the constitution in each case is accorded. And if this Dominion could go to the British parliament and show that majorities and minorities in Canada, such as originally were recognized, now desired the same right, there would not be a moment's reluctance in the matter on the part of the British parliament, judging by its attitude on all corresponding occasions in the past.

Now, could majorities and minorities in Canada go to the British parliament and make that representation? I think we have had evidence in this House this afternoon that they could not. Not only is there a contract between the provinces and the Dominion as a whole, between the minorities as represented by the provinces and the majority as represented by the Dominion, a contract which is sacred and which we must all preserve; but, as well, I think, it can be affirmed that another party to the contract for the protection of minority rights is the British parliament itself. And I believe it is a fact that to a degree minorities in Canada—minorities racial and minorities religious—rely not only upon the merits of the contract as between the various parties in the Dominion, but as well on the

contract between the Dominion and British parliament. When the parties to the contract in Canada are prepared to give up that extra security, when minorities and majorities are agreed to ask that we here in Canada be permitted, under any conditions which we shall suggest, to amend our constitution, then we shall not have any longer to wait. There lies the reason, which I think was well expressed by the Minister of Justice (Mr. Lapointe), why in Canada we have deemed it wise to rest in our present position, believing as we do that in reality our powers are for practical purposes as ample as are even those of Australia or New Zealand.

I do not share any of the apprehensions that are suggested by some others, and I am not worried by the ghosts that seem to be always before some people; I do not think, with them, that we have been waging a terrific battle against a reluctant Downing Street in order to gain our rights. I do not share the view that we are in any sense oppressed and subordinated; we are in no sense whatever subordinate to anyone on earth. The moment we are in a position to assert among ourselves the right to do certain things, and believe that it is better that we should do those things, then that right will be ours. But simply because there is this additional security for minority rights, the people of Canada, minorities and majorities alike, desire to rest in the position we are in at the present time.

I stated that there might be some other respects in which we had not exactly the same powers as the British parliament. I do not pretend to be at the moment in a position to discuss them; I refer to one of them, the matter of extra-territorial jurisdiction. Suffice it to say that if this parliament is of the view that, in respect of extra-territorial jurisdiction, we should have added powers, there would I am convinced be no difficulty in procuring them. Be it remembered, that in the present position we occupy, whenever a request is made for added powers, if it concerns only the Dominion as a whole and does not at all affect provinces or minorities, the address of this parliament is quite sufficient. As regards all these matters, if there are any such outstanding, no difficulty lies in the way at all; but mainly because minority rights rest on the sure foundation of the British North America Act, I think it is infinitely better that we should retain our present position.

As regards the amendment of the hon. member for Brome (Mr. McMaster) I fancy he himself scarcely has very much confidence in its merits now. It could never be said that our constitutional position rests on a basis of contract merely as between the provinces and the whole Dominion or as between the provinces and the whole Dominion and the British parliament; it also rests on the foundation of a contract as between minorities and majorities, even not identical with provinces. So that the argument of the hon. member would not apply at all. Furthermore, it would never do in the world to distinguish between the status of provinces in relation to the power of amendment; there is no difference at all between the right of Quebec or Ontario and that of Manitoba or Alberta. It is true that Alberta did not exist at the time of confederation; but it is true that British Columbia and Prince Edward Island were provinces then. Consequently, as the hon. member admits, their position, so far as contractual right is concerned, is the same as that of Ontario and Quebec. But the people of Alberta existed; the people of the Northwest Territories existed; and these people acquiesced in the Act of Confederation on the basis of the British North America Act, the cornerstone of the compact. Consequently they are parties to the contract the same as the others. This only serves to disclose the very weakness of the motion itself. The effort of the hon. member for Brome to find a solution, and the failure of that effort, expose as nothing else could just exactly the difficulty that confronts us, and surely make clear the fact that this difficulty, in the words of the Minister of Justice, has been with us all through these years; and our position now is not a position imposed on us from without but is one decided upon by ourselves.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Hon. E. M. MACDONALD (Minister of National Defence): Mr. Speaker, the discussion upon the resolution of my hon. friend from Centre Winnipeg (Mr. Woodsworth) has taken a very wide range, and almost every phase of our relations with the Mother Country has been referred to. At the outset let me say that I think the resolution is hardly cast in such a form that it may be regarded as a very serious attempt to grapple with the problem. Naturally, the discussion of the resolution has been somewhat academic, because if we were proposing to approach the Imperial parliament with a view of having an amendment made, either by a change in the British North America Act or by the

passage of a supplementary act, for the purpose of giving the country some further powers than she now enjoys, it would have to be provided for in a resolution addressed to His Majesty and the Imperial parliament. I must confess that I feel rather disposed to agree with my hon. friend from Battleford (Mr. McConica) in his criticism of the wording of the resolution; indeed a great deal of doubt has been expressed from all quarters of the House as to what the mover of the resolution exactly intends. Taking the language itself, and throwing aside for the moment those interjections which are not necessary to enable one to understand precisely what is proposed, we find it to be as follows:

> That, in the opinion of this House, the governing powers of Canada as constituted by the British North America Act ought to possess under the British Crown the same powers with regard to Canada, its affairs and its people, as the Parliament of Great Britain possesses in regard to Great Britain, its affairs and its people.

As I think my right hon. friend and leader (Mr. Mackenzie King) pointed out, this language would only be apt as applied to Canadian conditions if "governing powers" were intended to mean not merely federal powers but provincial as well, because if we are going to have the right to legislate and deal with affairs to the widest extent to correspond with the governing powers of Great Britain, such governing powers must necessarily be vested in both the federal and provincial parliaments, and when my hon. friend reaches that stage in the interpretation of his resolution, he will readily see that he comes to a point where he is certainly not practical in dealing with the question. For instance, unless the combined view is taken of our legislatures and parliament, how could the legislature of Ontario, for example, be endowed with the same right and power to legislate for the province as the Imperial parliament possesses with regard to Great Britain. Therefore it would seem to me that the House ought to hesitate before committing itself seriously to the consideration of a resolution drafted in this form, and that if we really desire to amend our constitution an appropriate resolution should be prepared and presented for the consideration of parliament.

For myself, I am at a loss to understand some of the arguments which have been presented in support of the resolution. As was pointed out by the Minister of Justice (Mr. Lapointe) and the right hon. leader of the opposition (Mr. Meighen), the British North America Act of 1867 laid down in very clear and distinct terms the respective powers of the federal parliament and the provincial legislatures, and it has not been found necessary since 1867 to amend those powers in any material point. An amendment was passed in 1871 conferring on the Dominion parliament the right to create new provinces, and a further amendment in later years effected a change in the mode of representation in this House. Both those amendments were granted to the federal parliament without any question.

It must be borne in mind that the Canadian constitution of 1867 was not made by the parliament of Great Britain, but by the representatives of Ontario, Quebec, Nova Scotia and New Brunswick. They solemnly met together in council and after full deliberation determined what the constitution of this country should be. Every line of the British North America Act was written by Canadian hands, every provision that is to be found in the four corners of that act were placed there by the Canadian statesmen who conferred together to bring about confederation. And confederation was no easy thing to consummate. It is all very well, after fifty-seven years of national life, to say that, because the world has not got back to normal conditions after the Great War, there are certain things in our constitution which should be amended, but I submit that where you have a constitution that was designed by the forefathers of confederation in this country, by the men who laid the foundations of Canada, a constitution that has worked well for over half a century of national life, we should hesitate to hysterically demand that some radical change be made in it. It protected the rights of minorities which was a very vexed question. There was given to the provinces the very wide powers which the provincial legislatures now enjoy, powers in regard to which they are just as supreme as we are in matters under our administration, powers with reference to which we cannot interfere so long as they act within their jurisdiction. Then, with reference to the suggestions that have been made for abolishing appeals to the Privy Council, the legislature of each province of the Dominion under the powers conferred upon the provinces under the British North America Act of dealing with the constitution and maintenance of the courts, lays down where appeals can be made to and limits the right of appeal.

Mr. SHAW: Is it not a fact that in the Criminal Code of Canada we seek to prevent appeals to the Privy Council?

Mr. MACDONALD (Pictou): I was coming to that phase of it. I was pointing out

that under the powers conferred upon the provinces the legislatures deal with the constitution and maintenance of the courts, and that the provincial legislature lays down where appeals can be made to and limits the right of appeal in regard to civil cases. Very rarely in the history of appeals to the Privy Council have there been appeals from Canada on criminal matters. Last year Attorney General Raney in Ontario, recognizing that the right to limit these appeals rested in the provincial legislature introduced a bill in the Ontario legislature for that purpose. True, in regard to criminal matters, where we legislate, we can limit the right of appeal in a similar way; but the question of limiting appeals has always centred very largely around civil cases.

Mr. MEIGHEN: Is it not a fact, anyway, that it is altogether in the hands of Canada, through either provincial or federal authorities?

Mr. MACDONALD (Pictou): Quite so. Then, over and above any question of power residing elsewhere either in this parliament or in the provincial legislatures, we could determine the question as to whether there shall be appeals to the Privy Council on any subject. That is not a matter to be determined by any Imperial legislation, and the Imperial parliament do not interfere with us or impose their views upon us in that regard. So also in regard to the question of our right to make treaties, which has been discussed time and time again in this House. There is no manner of doubt now that the right of Canada as a self-governing Dominion to make treaties affecting the interests of the Canadian people is recognized and unquestioned.

In regard to legislation, the provinces have long claimed supreme rights within the limits of Section 92 of the British North America Act. Hon. gentlemen who remember politics in the province of Ontario not so many years ago will remember the stern battles that were fought between the political parties in that province on the question of provincial rights; and as the days have gone by and each province, particularly the larger ones, has increased in importance and wealth, the rights which are to be exercised by these provincial legislatures are a very serious and very important matter, touching as they do very intimately the lives of the people in education and other questions closely related to their home life. The powers vested in the legislatures in that regard are very, very wide indeed.

Now, what does my hon. friend wish to propose by his resolution in regard to these provincial powers? Is he going to interfere with them in any way? Is he going to say that in some great central body there shall be vested the full rights which exist in the parliament of Great Britain? Realizing the problems in this country, where we have nine provinces and local legislation in each province rendered necessary on account of the religion, language and the business interests of each and every province, does my hon. friend propose that there shall be some great central body that is going to interfere with the rights of the provinces to legislate locally, as each provincial legislature now has the right to do?—and is exercising that right to-day without the slightest interference from Great Britain at all. And so with this parliament. Hon. gentlemen who have had some experience in this parliament will fail to remember any time in Canadian history where there has been any interference on the part of the Imperial parliament with the full right of this parliament to legislate in regard to all the subjects contained in Section 91 of the British North America Act.

Mr. IRVINE: Does the minister recall the province of Nova Scotia passing certain legislation which seemingly was within the jurisdiction of the province under the British North America Act, but which was nullified by this parliament not so very nong ago? Was that a violation of the British North America Act?

Mr. MACDONALD (Pictou): My hon. friend, if he wishes to discuss a matter that we discussed last year, can do it at some other time. I am endeavouring now to devote my time to this novel proposition that he and his friend are putting forward, that we require some extraordinary powers to be conferred upon the Dominion and the provincial parliaments that we do not exercise to-day, that our freedom in some mysterious way is being interfered with by the Imperial parliament. That is the question we are dealing with, and I say that there has been no such case of interference, and there is no necessity for the legislation that is proposed.

With all deference to my friend from Brome (Mr. McMaster) whose suggestion was that you could review this new constitution, when it was formed, by providing for the approval of a majority of the provinces, which majority should include the four old provinces, I feel sure that with his experience as a lawyer he would not, on due deliberation, stand by that proposal as a permanent solution of this question.

Then as to a central authority so that there shall be no over-lapping, if all these bodies

are going to be endowed with the absolute and unlimited rights that the British parliament has,—for that is what the suggestion of my hon. friend from Centre Winnipeg means to those who read the English language, —that would bring about an absolute trespassing upon the rights of our provincial legislatures, and an absolute conflict between the two authorities, with no independent body or central authority to determine where or how that conflict could be avoided. Hence it is that, realizing that our right to make our own treaties is recognized, realizing that we have not been interfered with in the last fifty-seven years of our national life in any way, realizing that the constitution under which we are working to-day was not imposed upon us by the Imperial parliament but was the work of the Fathers of Confederation, I submit to the hon. member for Centre Winnipeg, as did my right hon. leader and the right hon. leader of the opposition, that having had this discussion of the question, and seeing that his resolution is not so framed as to have any practical effect,—seeing, indeed, that it could have no effect whatever if passed,—and having given us no evidence whatever of mature deliberation or suggested any real solution of the difficulty under which he thinks this country is labouring, I submit that his purpose has been served by this discussion and I would suggest that he withdraw his motion.

Mr. JOS. T. SHAW (West Calgary): I think the discussion of this afternoon and this evening has been eminently worth while, as it has directed our attention and the attention of the people of Canada, to what seems to me must necessarily be in the future a very vexed question indeed. I am not in sympathy with those super-loyalists who, immediately anyone proposes to consider this difficulty, accuse him of disloyalty. I think it is important that the people of Canada should know what their status is. We have been groping in the dark for a great many years, and I think we are still groping in the dark so far as this particular matter is concerned. I find that, on the one hand there are those who tell us that, in association with the other parts of the Empire we are a partnership, although, as a matter of fact, we have few of the incidents which ordinarily go with a partnership, and on the other hand, there are others who tell us we are one of a commonwealth of nations. And there are still other voices that proclaim with no uncertain sound—and distinguished jurists at that—that we are subordinate and colonial. Now, whatever our situation may be, I think, as I suggested before, that we should know where we stand if it is possible for us to ascertain that fact. There is no doubt from the discussion to which we have listened this afternoon that we have no power to amend our constitution. We must, if we desire a change, secure practically the unanimous consent of those interested in Canada, and then we must seek relief from the Imperial parliament. In the days of confederation, it may have been desirable to fasten a constitution on us in that particular way; but since that time several self-governing Dominions have been formed, and I find that the same situation does not prevail with regard to Australia, with regard to South Africa and with regard to the Irish Free State. Each one of these self-governing dominions have the right themselves to change or amend their own constitution. It has been suggested that, if we gain unanimous agreement in any particular matter and if we go to the Imperial parliament, that parliament will gratify our wish as far as possible. I quite agree with that, but at the same time there are many principles on which, in this country, we can never become unanimous. For instance I need only mention one referred to by the hon. member for Brant (Mr. Good), and that is the matter of the Senate. I think there is not anyone within the confines of this House but would agree that some change is necessary, we must do something, in order to make that body responsible to the people in some way. And not only that. If it is going to be a body that functions, it must be charged with some definite, specific duties perhaps not unlike the United States Senate. What can we do in Canada with regard to the Senate? We may speak, volumes and volumes have been spoken with regard to that ancient chamber, yet nothing has been done, and I presume the Senate never will consent to anything being done. Are we to remain helpless and tied down by this constitution forever just because we cannot get unanimity on that particular matter in this country and must make a unanimous appeal to the Imperial parliament for relief. If I remember correctly, unofficial representations were made to the Imperial parliament some years ago with regard to a possible change in the Senate's constitution, but indications were given very plainly that unless unanimity was secured in this country on that matter no relief could be granted, and none was secured. Not only that, it may interest hon. members to know that even in the Imperial

parliament they have, in some instances at least, the right to change our constitution without reference to us at all. Of course, they have that right in any event, but they have been specifically granted the right, in an act known as the Irish Free State Consequential Provisions Act passed in 1922. Section 67 reads as follows:

> His Majesty by order in council may make such adaptation of any enactment so far as they relate to any of His Majesty's dominions, other than the Free State, as may appear to him necessary or proper as a consequence of the establishment of the Irish Free State.

Sir, the Minister of Justice may find that without him knowing anything about it the Imperial parliament may pass some legislation consequential upon the formation of the Irish Free State. Are we in any particular way handicapped by reason of this constitution which we have and as a result of our inability to change it? I think that is the practical problem which we should consider. Well, I have already pointed out our difficulties in connection with the Senate.

May I mention one or two other matters of some interest. This parliament, from time to time, passes legislation about which constitutional questions are continually raised, and we find that we have to make special arrangements if we want to organize such a board as a board of commerce. If we want to legally organize it, to regulate the prices in this country, then we find that we have in other cases to circumvent the provisions of the British North America Act in a particular way. If we want to get adequate liquor legislation, and if the people want a wheat board, special arrangements must be made to secure not only the concurrence of this parliament but that also of the various provinces interested.

Mr. LAPOINTE: Does not my hon. friend think that what he is complaining about just now is rather the rights of the provinces than those of the British parliament?

Mr. SHAW: I do not quite understand the Minister of Justice.

Mr. LAPOINTE: My hon. friend is complaining of the rights which the provinces possess, because it is those rights which prevent this parliament from legislating as to the wheat board and the board of commerce, and about the eight hour law mentioned by my hon. friend from Centre Winnipeg (Mr. Woodsworth) this afternoon, not the British parliament.

Mr. SHAW: I quite agree. I am making no complaint, but this constitution has been fastened upon us as the result of our own act admittedly, but the distribution of powers is so vague and indefinite that it is a continuous source of employment for the constitutional lawyers and jurists of this country.

Mr. MARTELL: If you arrogate to the federal authorities all these powers, will it not be stealing from the provinces powers which were granted to them by contract? Then when you add particular powers to the federal authority, will there not always be danger in going to the courts and having it determined what is intra vires or ultra vires of the provinces or of the federal parliament?

Mr. SHAW: The hon. gentleman has apparently suggested that I desire to take away from the provinces certain powers, or that I desire to give the federal parliament certain powers which it does not now possess. I am not proposing anything of the kind, I want to see under any constitution that the safeguards given by the confederation pact to minorities, and to others, should be preserved, and should be safeguarded. I am with him to the fullest extent in that regard. But as far as regards the distribution of powers in Canada it may be they should be redistributed in particular ways, in order that our constitution may function effectively in the interests of the people of Canada.

Mr. MARTELL: Is not that a matter of agreement between the federal and provincial parliaments? Should we arrogate to ourselves powers without the consent of the provincial legislatures?

Mr. SHAW: I am not proposing that the federal parliament should arrogate to itself any powers at all. Whatever distribution of powers is made under our constitution will necessarily be the result of an agreement between the federal government and the various provinces of Canada.

Now, I was referring to some of the matters about which we have had difficulty. I read in a newspaper the other day that a little piece of innocent legislation we passed last year in regard to oleomargarine might be made the subject of an appeal to the Privy Council, to find out whether or not the Dominion parliament had the right to say to the manufacturers of oleo that they could not manufacture the commodity in this country.

Another difficulty in connection with this constitution—at least it seems to me a difficulty—is that it is interpreted three thousand miles away. I have great respect for the members composing the judical committee of the Privy Council, but I do say that constitutions particularly must be interpreted in the light of existing condtions and in the light

of the facts as they exist in the particular country covered by that constitution. There are some who say that the fact that it is interpreted three thousand miles away is not a good thing, and I have some sympathy with that particular view. I think that our constitution should be interpreted in Canada, and I think that our jurists are just as competent to interpret it, and probably would be able, in the light of existing conditions, to interpret it so that it will function much more efficiently than it would if it were interpreted without reference to the conditions. Let me illustrate what I mean—and I trust I may interest the hon. gentleman from Battleford (Mr. McConica) who seemed so critical of this resolution this afternoon. The United States constitution, for a period of some twenty years, I think, was strictly interpreted. If that variety of interpretation had continued I think there is not the slightest doubt that the people of the United States would shortly have found that the constitution was utterly unfitted for their purposes, and that the time would come when it would be necessary for them to shelve it completely. But fortunately Chief Justice Marshall, the chief justice of the United States Supreme Court, in a long series of decisions, gave the most liberal interpretation to that constitution, made it function and made it function well, so that the spirit of his judgments persists even to this day. I simply suggest that constitutions are made for people; not people for constitutions. Constitutions must be just and must be interpreted not to bind and shackle the people, but to meet the changing conditions of the times.

So much for internal affairs in Canada; what is the position with regard to external affairs? As the right hon. leader of the opposition (Mr. Meighen) stated this afternoon, not being a sovereign nation, we have no jurisidiction over our extra-territorial rights; and so far as our foreign affairs are concerned, I venture to say that we have about as much control in the matter of peace and war as we have over these extra-territorial rights. It is true there is a process of consultation, a long-distance method, by which our authorities here are advised—generally subsequent to the event—of exactly what policy is being undertaken and of exactly what action has been taken. That is of no use to us here. If we are going to be committed to a policy that may involve us in war, it is absolutely essential that we should be fully familiar and have a part in the formulation of that particular policy. It cannot be done by merely attending colonial conferences or imperial conferences every two or three years. It must be done in some different way from that, or we should have no consultation at all. I think I pointed out once before in this parliament that a distinguished statesmen refused to have any part in consultations because, he said, consultation means responsibility. Now a valueless consultation that means responsibility should not be undertaken. I will give an instance of what I mean. The British Empire stood on the verge of war in the month of September, 1922. The ex-Prime Minister of this country, in an address which he gave to the Toronto Business Men's Conservative Club, suggested that the policy of Canada in connection with that should be "Ready, aye ready; we stand by you." Then he went on to indicate that it was necessary for Canada to maintain her obligations, so far as particular treaties were concerned, and I take it from that that he intended that we should stand by the Treaty of Sevres. The interesting part of it is that the Treaty of Sevres had been ignored by everybody, even by the nations which signed it. The result would have been that my right hon. friend the leader of the opposition would have plunged this country into war for the sake of a treaty which did not exist.

That is just the situation as I have indicated it. If the leading statesmen of the country are not familiar with the foreign affairs, how can you expect the ordinary common people of Canada to be familiar with these affairs? It seems to me the proper attitude on that occasion should have been "Steady, aye steady," In order to give the people an opportunity to know the facts, so that if we were to be plunged into a war we would at least know that it was in a righteous cause, and one which we were justified in supporting.

Mr. MARTELL: My hon. friend says that the right hon. leader of the opposition might have plunged Canada into war without waiting for the "Ready, aye ready." Is it not a fact that if Great Britain declares war to-day, Canada is at war irrespective of whether she wishes to go to war or not? We are a portion of the British Empire and we are bound by what the Imperial parliament does.

Mr SHAW: I am inclined to agree with what the hon. gentleman states, and for the purposes of determining whether we are at war or not, I would like to investigate the attitude of the enemy's mind at that time.

Mr. MARTELL: The hon. gentleman must be a psychologist.

Mr. MEIGHEN: Does the hon. gentleman think it is very fair on his part to introduce this subject at a time when he knows I cannot reply and correct his misrepresentations?

Mr. SHAW: I shall be very glad, so far as I am concerned, to allow the ex-prime minister the fullest opportunity of replying to me here or elsewhere.

Mr. MEIGHEN: The hon. gentleman cannot do it.

Mr. SHAW: Perhaps the House will give unanimous consent for the purpose.

Mr. GRAHAM: A bad precedent.

Mr. SHAW: May I refer to one or two remarks made by the Prime Minister (Right Hon. W. L. Mackenzie King)? He has indicated to us this afternoon the attitude assumed at the Imperial Conference last fall with regard to defence matters. I must confess that in reading the resolutions as passed I felt some apprehension that perhaps the country was committed; because I note that the language used is certainly open to the suggestion that we are committed to a policy of co-operation, and that it only remains with parliament to decide the nature and extent of any action to be taken. I think the wording is perhaps unfortunate and somewhat ambiguous. If it had read, "To decide the nature and extent of any action, if any," then there could be no question about it. But I am prepared to rely upon the interpretation given by the Prime Minister that under no circumstances are we committed to any action, so far as naval defence is concerned, unless the parliament of Canada first approves; that is, that the responsibility rests primarily and always with this parliament, and that no action can be taken committing the people of Canada to any naval defence policy without first securing approval here. I think that is important, because, after all, the question of naval defence is linked up very closely with the question of peace or war. And war in these later days is not a pleasing thing to contemplate. In its actuality it is a terrible thing. It may involve the loss of thousands of our countrymen; it necessarily involves the loss of millions of our treasure. It is important that no action in a serious matter of that kind, which may involve us in any catastrophe such as war, should be undertaken without securing the full and complete consent of Canada's parliament.

Mr. L. H. MARTELL (Hants): Mr. Speaker, it seems to me that the resolution moved by my hon. friend (Mr. Woodsworth) has been badly framed because, while in many of the things that he is advocating I am in thorough accord, the resolution is so sweeping in its character that to my mind, it means the nullification or abrogation of an agreement that was entered into between the various provinces of this Dominion, what may be termed the provisional trustees for the now federal authority at the time that the confederation pact was entered into. In other words, at the time of confederation, an agreement was entered into by the various provinces, which were then independent entities as regards self-government, and representatives of the now federal authority. The chief things which were allocated to the provinces are to be found in section 92 of the British North America Act with several clauses, sixteen in number. Section 91 of the British North America Act with its twenty-nine clauses gave what are regarded as the powers of the federal authorities. In addition, there is what is known to lawyers as the non obstante clause which, in effect, says: notwithstanding anything that may be found in section 92 of the British North America Act, the powers of the federal authorities are not restricted. That is a contract. Two parties are necessary to a contract and there must be mutuality. The people who consummated confederation entered into this agreement, and it was confirmed by the British parliament. That is the constitution of Canada as we have it at the present time. For this parliament to endeavour to arrogate to itself the right of taking extreme powers, powers which belong to the provincial authority, or which in any wise would affect the provincial authority, would be an abrogation of the agreement or contract entered into in 1867. But let us eliminate that. As I understand the resolution of my hon. friend, his idea is that Canada shall have equal rights with all other nationalities; that is to say, that Canada within the British Empire shall be regarded as a nation, Australia as a nation, New Zealand as a nation, Newfoundland as a nation; that these nations in dealing with other nations shall be regarded as absolutely independent; that they shall have the right to send ambassadors; that they shall have the precedence that belongs to their several countries as independent entities. In that respect, I am in full accord with my hon. friend.

But for any persons, notwithstanding their pretensions to be constitutional lawyers—and we have many in the House of Commons—to stand up in this chamber and say that we are not compelled to go to war when Great Britain is at war, is an absurd misnomer.

Supposing Great Britain to-day declared war, then Canada is at war whether Canada wants to be at war or not. The only thing that Canada can do is to call her parliament, and if we want to send troops, Canada's parliament might refuse to vote the supplies necessary to give us sufficient money for the purpose of carrying on that war. But if Great Britain, having declared war, wished to pass a statute of the Imperial parliament applying it to every portion of the Empire, even if she meant that everyone of us could be conscripted, or that every possible piece of land or that all the funds of Canada could be taken for the purpose of carrying on that war, we would be compelled to obey that statute. That as a legal pronouncement cannot be gainsaid.

Some hon. MEMBERS: Order.

Mr. MARTELL: We are a portion of the British Empire, and notwithstanding everything that some hon. members may say, we have simply colonial status. Great Britain has been generous with us. If you read the constitutional authorities, you will find that Great Britain can pass any act for the Empire and apply it to any portion of the Empire. It is said that as regards the English-speaking provinces of the Dominion of Canada, when we came here we brought with us every portion of the British common law save in so far as it is inapplicable to our situation as a colony. We brought none of the English statute law save as it is made applicable to us as a colony. If the English common law has not been altered in this country by statute so as to make it inapplicable to the Dominion of Canada, then the English common law is still in force in this country. We have the Colonial Laws' Validity Act; we have several other acts, and if the British parliament to-day passes an act making it applicable to every portion of the Dominion of Canada, it is applicable irrespective of what this parliament can do. Therefore, it is absolutely absurd for any hon. member from his place in this House to say that we are not bound by laws passed by the British parliament. Personally, I would like to see us bound by those laws so long as we are going to remain a portion of the British Empire, and relying upon the fair play of the British paliament and the British people in general, I believe they will not pass any laws which will make things repulsive to the people of the Dominion of Canada. That is my attitude in regard to this matter.

Let us not be carried away with the idea that we are a great independent nation. We are in truth a great nation, but a great nation within the British Empire, and Heaven prevent the day from coming when we shall not be regarded as such. While I am in accord with many of the principles which my hon. friend is trying to get at, though he does not express them properly, if his resolution is so framed as to say that we are going to recognize nothing that is done by the British parliament, that is tantamount to saying that the Dominion of Canada wishes to be independent. That is all the resolution means; but in fairness let us examine the constitutional authorities in the light of our position within the British Empire, and we shall find that all that we may say or do cannot alter our status in the British Empire so long as the British parliament does not consent thereto.

Some of my hon. friends, in the course of their disquisitions, have referred to the Senate. Although I am not a great constitutional lawyer, I may say this without fear of being charged with egotism. Many men in this House occupying high positions either in the opposition or on the government benches regard themselves as eminent lawyers on account of their position, and it might seem, therefore, as if we back-benchers should be seen and not heard.

Mr. McMASTER: No, no.

Mr. MARTELL: But from my reading—and I may say that I try to keep in line with my profession—I have come to the conclusion that the House of Commons has no authority —and even the House of Commons and the Senate of Canada in conjunction have no authority—to amend or to cast out the Senate without the consent of the various provinces of the Dominion of Canada. At the time the confederation pact was made, certain powers were given to the provinces and certain matters were set up by agreement with the provinces in order to provide the constitution of a parliament to administer federal affairs. One of the conditions was that the Houses of Parliament of Canada should consist of a House of Commons and a Senate. Therefore, if you want to interfere with the Senate, you must, of necessity, get the consent of the other party to the agreement, namely, the various provinces of the Dominion of Canada. If you examine the British North America Act, you will find that power is not given to this parliament to change the constitution of either of the Houses, but explicit power is given to the various provinces to change their systems of government, provided that they do not interfere with the office of Lieutenant-Governor.

That is the constitution of the Dominion of Canada; and before hon. gentlemen stand

in their places and declaim against it they should first thoroughly familiarize themselves with the provisions of it. Our constitution is known as the British North America Act and, as I have said, it is a contract entered into between the several provinces of the Dominion and what is now the federal authority. It was a condition precedent to the entry into confederation by these various provinces that certain things should be done from the point of view of federal administration, and therefore this parliament to-day has no right to ask for an amendment of the Canadian constitution without first obtaining the consent of the provinces who were the other parties to the confederation pact.

I am sorry that my hon. friend (Mr. Woodsworth) has badly framed his resolution; but anything that will take from the rights of the provinces, anything that will deprive our people of what was granted them at the time of confederation, will meet with my opposition so long as I am a member of this House. I do not believe that we are going to get anywhere by demanding changes every day. There is an old Latin maxim that says: Tempora mutantur, nos et mutamur in illis,—Times are changed and we are changed in them. And there is another which it behooves us to take to heart—"Festina lente." Sometimes, when radical changes are advocated, changes which are obviously unwise, I almost consider myself a Conservative, though God forbid that the day should ever come when I should want to be one. Resolutions of this kind, purely academic in their nature, are not, I think, properly matters for discussion on the floor of the Canadian House of Commons. They waste time and get us nowhere. The Fathers of Confederation provided a means whereby disputes between the provinces and the Dominion might be settled, and that is by reference to the supreme courts of judicature in the land. If we infringe upon provincial rights we can naturally expect the provinces concerned to take action in the courts to see if the federal act is intra or ultra vires; if the federal authorities claim to be in the right, in the courts of the country they have a means of settling their claim. That is a wise method, and by the decisions of the highest court of judicature for the land we are bound to abide. So that we are fully safeguarded; and in all things I think we should try to leave intact as far as possible the work of the Fathers of Confederation. It has satisfied our requirements for a good many years and should not lightly be tampered with by faddists.

[Mr. Martell.]

Mr. HUGHES: May I ask the hon. member for Brome (Mr. McMaster) for some information regarding his amendment? Does he mean it to imply a different or an inferior status to the provinces that entered confederation after 1867 as compared with the original provinces? If the amendment has that object in view, then whatever may be the merits or the demerits of the original motion I think the amendment would render it indefensible, and for that reason at all events the amendment should be withdrawn.

Mr. McMASTER: I do not know whether or not I am in order in replying to the hon. gentleman, but he has directed a question to myself and with your permission, Mr. Speaker, I will answer it. I have been impressed by the arguments that have been advanced against my amendment and equally impressed with the expression of opinion of the Minister of Justice (Mr. Lapointe) that the useful purpose of discussing this matter has been served by the fact of its discussion. If therefore the mover of the resolution withdraws it my amendment will fall with it. I did not like the apparent inference that the province of Prince Edward Island was placed in a position of seeming inferiority as compared with the other provinces. That would be disgraceful.

Mr. HUGHES: It would be disgraceful, and I was surprised that the hon. member for Brome should have introduced the question in his amendment.

Mr. W. F. CARROLL (Cape Breton South and Richmond): I think, Mr. Speaker, that some good at least has come of this discussion: excellent arguments have been advanced in support of the resolution while some strong arguments have been offered against it. Personally, I believe that had the hon. member (Mr. Woodsworth) who moved the resolution been somewhat more specific in regard to what he intended to accomplish in having greater powers extended to Canada, perhaps the House would be better informed concerning his attitude on this question. In my estimation the resolution as framed, if passed, would be tantamount to a declaration that there should be absolute independence on the part of Canada. Now, I do not think that the Canadian people are quite ready for that yet; I do not think they will be ready for it for very many years to come.

Mr. WOODSWORTH: May I ask the hon. member whether the resolution as it is phrased, that we should have power "under the British Crown" indicates entire separation from Great Britain?

Mr. CARROLL: The phrase "under the British Crown," in my opinion, destroys the whole force of my hon. friend's motion, because if we are going to have all the plenary powers of Great Britain then we cannot consistently at the same time be under the British Crown.

Mr. WOODSWORTH: I would suggest to my hon. friend that there is a distinction between being under the British parliament and being under the British Crown.

Mr. CARROLL: Probably; but I do not think we have very much to be afraid of in being under either the British Crown or the British parliament. Now, I do not altogether agree with my hon. friend from Hants (Mr. Martell) when he says that Great Britain has absolute power to legislate on all matters in this country. For example, Great Britain, by the British North America Act, has given to this parliament plenary powers to legislate on the question of divorce; and she has given, also under the British North America Act, absolute power and authority to the various legislative assemblies to legislate on questions of civil rights. This being so, it seems to me rather inconsistent to say that the parliament of Great Britain could legislate on these specific matters in relation to which the parliament of Canada and the legislatures of the provinces have been empowered to act.

Mr. MARTELL: If the parliament of Great Britain gave that power has it not the right to withdraw it?

Mr. CARROLL: Unquestionably. But my hon. friend said that the British parliament to-day had absolute power to legislate on these specific matters I have mentioned, and on others in regard to which it has given full powers to the Dominion and to the provinces. Before the British parliament could do such a thing it would have to withdraw the power it has given. No doubt it has the right to do so, but I venture to say that such a thing will never be done. I agree with my hon. friend from Centre Winnipeg (Mr. Woodsworth) that there are some inconsistencies in our constitution, and he mentioned one of them. Had he so worded his resolution as to provide that steps should be taken, for example, to secure to the federal parliament the power of legislating on the eight-hour day, I would agree with him to the full.

Mr. WOODSWORTH: If the hon. member would offer a resolution along that line at a suitable time, I would be glad to support it.

Mr. CARROLL: I shall be glad to. I have some very definite, specific and, I think good reasons for agreeing with my hon. friend that the power of legislating on the eight-hour day should be in this parliament. I will tell the House why if it will bear with me for a moment. I believe in the eight-hour day. I think the time is coming when we shall have such a working day for our general industries, and the quicker that time comes the better it will be for all concerned. But supposing the legislature of Nova Scotia were to enact an eight-hour day law, what would happen? In the neighbouring provinces of New Brunswick and Prince Edward Island they have a ten-hour day and, in some lines of industry, a twelve-hour day, and the moment the legislature of Nova Scotia put such legislation on the statute books the artisans of the neighbouring provinces would swarm into Nova Scotia to take advantage of the shorter working day. That is the main reason why there should be given to the Dominion parliament power to legislate in this matter. In the absence of such power, I am afraid we are going to have difficulties in getting the various legislatures to initiate the necessary legislation.

I agree with my hon. friend from West Calgary (Mr. Shaw) that there are other things in the constitution which should be perfected. He made reference to the Board of Commerce. I believe that if this board had properly functioned it would have done a great deal for the common people. But what did we find? Ultimately it was declared to be ultra vires of this parliament. What would be the good of any province creating a board with powers similar to those conferred on the Board of Commerce? Such a provincial board would not maintain its existence. Therefore I repeat, something should be done to amend our constitution in this respect to empower the Dominion parliament to create a Board of Commerce which would be immune from attack on constitutional grounds.

I have something else in view. Last session the Minister of Labour (Mr. Murdock) put through this House certain amendments, which later were killed by the Senate. While many

people decry the upper chamber for having murdered that child of the Minister of Labour, I rather think they acted wisely, because in my humble estimation—and, like my hon. friend from Hants (Mr. Martell) I am not posing as a great lawyer—those amendments were absolutely ultra vires. I notice the minister proposes to re-introduce those amendments this session. I would give him a kindly word of advice, namely, that before he attemps to put them through this House again he seek an opinion from the Department of Justice, for I feel quite safe in saying that they will advise him that the amendments are absolutely ultra vires of this parliament. But assuming such amendments become law, what will happen? Their constitutionality will be attacked and ultimately the question will be taken to the Privy Council, with the probable result that the amendments will not only be declared ultra vires, but the decision will involve the abolition of the Labour Department as well.

I agree then with those who say that our constitution needs amending in some particulars, but I do not agree that we have not already the means at our disposal to accomplish this. There is no reason in the world why our provincial governments should not agree absolutely with the Dominion government on a change in the constitution which will give this parliament sole power to deal with such a question as that of the eight-hour day; there is not much doubt in my mind that the respective governments could get together and reach a unanimous conclusion regarding the creation of a Board of Commerce; and so on. I have no hesitation in prophesying that they would be unanimous in agreeing to such changes in our constitution as would put an end to the doubt which at present exists in our minds as to the jurisdiction of the federal parliament in enacting the concilation law.

Therefore while I agree with my hon. friends as to the desirability of certain changes in the constitution, I do not share their view that we have not at the present time the necessary machinery for bringing those changes about. All we need is to reach an agreement between the provinces and the Dominion, and thereupon we need have no fear, Sir, as to what the British parliament will do in the premises; they will crystallize the agreement into law and it will become a part of our constitution.

With respect to adequate liquor legislation, concerning which my hon. friend from West Calgary had something to say, it is one of the anomalies of our law that notwithstanding the fact that the provinces are supposed to have plenary powers as to certain subjects and the Dominion plenary powers as to other subjects, and while it is a sound proposition of law that neither authority must encroach upon the field of the other, it does seem to me to be rather inconsistent with the view of the constitution which all Canadians hold, that when we read our law books we find that the privy council has declared in more than one decision that the Dominion parliament has absolute right to legislate on liquor laws, and it has also declared that the local legislatures have plenary powers to deal with the same subject, within their orbit of course.

There has been something said to-night about the Privy Council. As a Canadian and as a British subject I have the greatest admiration for the courts of England from the lowest to the highest, and I have a marked admiration for the judges who have filled the high judicial positions in the Privy Council from 1867 down to the present time. But I do say, Sir, as my friend from West Calgary has said, that I believe we in Canada would be as well if not perhaps better off, if appeals might not be carried to the Privy Council, and if our last court of appeal should be the Supreme Court of Canada. There are always local conditions entering into lawsuits, peculiar conditions entering into practically every lawsuit unless it involves some constitutional question, which I think put our Canadian judges in a better position to judge of the whole situation than people who are not familiar with our customs and our habits, and who are not as familiar with our geographical and other local considerations. I believe that the leaders of the various governments in this country would be well advised in making a recommendation to the British parliament that the only cases which could be appealed to the Privy Council of Great Britain should be cases affecting the constitution. There will always be grievances on the part of the provinces respecting the constitution of Canada, and if they were limited to the Supreme Court of Canada in their appeals they might think that they were not getting that measure of justice which they deserve, and therefore I think it is a good thing in such cases to have a more or less independent tribunal such as the Privy Council to decide cases affecting our constitution. But when it comes to appealing cases involving millions of dollars, from the Supreme Court of the provinces or the Supreme Court of Canada to the Privy Council, I say that the Privy Council then becomes the rich man's court. I have known cases, not altogether in my own personal practice, but in the practice of barristers in

the province of Nova Scotia where after the plaintiff had won damages against a big corporation in the Supreme Court of Canada, the case was carried to the Privy Council and the poor plaintiff could not follow it there. There was the trouble, and that is the only trouble that I find with the Privy Council of Great Britain.

Something has been said with regard to the Senate. I consider myself a democrat, Mr. Speaker. I consider that I am one of the ordinary, plain, common people, but I believe that there have been cases in this country in which the Senate has taken a course that has absolutely justified its existence. I think that a body such as the Senate, which is not amenable to public opinion in that it does not have to go to the country to seek the suffrages of the people, has a great restraining influence, and such an independent body very often proves a bulwark against hasty legislation by Commoners. May I give two instances? During the premiership of Sir Wilfrid Laurier, promoters came to the government of the day, and in some way or other that I could never understand they impressed the government of Sir Wilfrid Laurier with the desirability of building a railway into the Yukon country. A more impossible proposition, in my humble estimation, was never put before the Canadian parliament, and I say again I could never understand how a government, especially a government led by dear old Sir Wilfrid should attempt to legislate to bring the iron horse into the Yukon. The Senate of that day killed that legislation, notwithstanding the fact that it had passed the Commons, and I say that by that act alone the Senate of Canada has justified its existence. To show my friends across the way that I am not partisan, may I give another illustration which justifies the existence of the Senate? In 1913, under the leadership of our good friend Sir Robert Borden, certain proposals were made in the House of Commons for giving assistance to the British navy. The proposal was that millions and millions of dollars were to be sent out of this country to be paid to the artisans of Great Britain in building battleships, which would, of course, be for the general benefit of the Empire. I am not criticising the government of that day for the attempts that were made to put that legislation through, although I remember spending two sleepless weeks attempting to frustrate that legislation in this chamber, but we were unsuccessful in killing that bill, and I am not going into the reasons why we were unsuccessful. The Senate killed the bill, and I say that is another reason which justified the existence of the Senate in this country.

Mr. Speaker, there is nothing subordinate about Canadians. There is nothing colonial about Canadians. We are as free as the people of Great Britain; we are as free as the people of Scotland. There is nothing we cannot do that is not against the law. There are no limits to our freedom. No stretch of the imagination can bring to mind any people under the canopy of Heaven with more freedom than Canadians enjoy. It is true that we pass laws from time to time restricting that freedom, but I say that when we keep within the law there is no freer people on the face of the earth than the Canadian people.

Mr. WOODSWORTH: Coming down to realities, are not Australia and South Africa and the Irish Free State freer than Canada with respect to this particular question?

Mr. CARROLL: Australia, South Africa and the Irish Free State are not as free as the people of Canada, and if my hon. friend wishes to enter into a discussion of that question and compare the constitutions of these different countries I shall have no hesitation in the world in doing battle with him on that very subject.

Mr. MORIN: Can Canada amend its own constitution? Australia can.

Mr. CARROLL: Canada may amend its own constitution. It may take a little longer to amend our constitution than it does to amend the constitution of Australia or South Africa, but that does not mean that the people of this country are less free than the peoples of these other countries. What does freedom consist of? Does it consist of the fact that the constitution can be more easily amended in some other country? It does not. Freedom means the enjoyment by the inhabitants of a country of the rights of human beings, provided they do not defy the law of God or the laws of that country.

Some hon. MEMBERS: Oh, oh.

Mr. CARROLL: My hon. friend laughs, I dare say he has defied both. So have I.

Mr. SPEAKER: I must draw the hon. member's attention to the fact that he has no right to say of another hon. gentleman that he has violated the laws of--

Mr. CARROLL: I did not say "violated." I used the word "defied."

Mr. SPEAKER: Nor is it permissible to use the expression "defied" in that connection.

Mr. CARROLL: In making use of that remark I had no intention of saying anything ungentlemanly toward another hon. gentleman. You will notice however that having used the word "defied" I made it applicable to myself also.

I should like to see an amendment to this resolution, or at any rate see another resolution brought in at some time to carry out the views which the member for West Calgary (Mr. Shaw) and myself have in common, and that is in reference to the distribution of powers under the British North America Act. I think there is a strong argument for such a change. I have made the argument and gone a little further perhaps than my hon. friend the member for West Calgary. But I shall be unable to support the resolution as it stands at present. When everything is said and done I feel that it goes too far. The hon. member for Centre Winnipeg (Mr. Woodsworth) doubtless contemplated nothing further than he proposed in his speech, but the resolution to my mind goes so far that I shall be unable to support it. However, if an amendment is brought in expressing the views of the hon. member for West Calgary and myself in this matter, and also proposing to curb the right of appeal to the Privy Council, I will vote as heartily as any member in this chamber to give effect to the recommendation.

Mr. WILLIAM IRVINE (East Calgary): This resolution has been so far pretty much of a happy hunting ground for students of constitutional law. Not being able to claim for myself much knowledge of that particular subject, I nevertheless venture to suggest an idea or two which, perhaps, might carry to the average man in the street, if he ever troubles to read the splendid debate which has taken place here to-day. As a Canadian born in the British Isles this discussion has been very gratifying to me, because I cannot imagine any higher tribute to the genius of British statesmanship than to find so much willingness on the part of representatives of the Canadian people to still remain quietly under the hand of the Mother Country. But while that speaks admirably for the genius of British statesmanship, it does not speak so well for the regard of Canadians for that equal freedom which the British enjoys, and which they would not yield were Canada in a position similar to that which the Old Land occupies at the present time.

Some hon. members have deplored the time taken up by this discussion, and one hon. member thought the subject should not be debated at all because he did not understand it. I am glad, however, that the House did not sustain the hon. member in that opinion, because I think some excellent things have been disclosed. For instance, the hon. member (Mr. Carroll) who has just taken his seat has actually discovered one instance where the Canadian Senate is of service. That is something.

An hon. MEMBER: Two instances.

Mr. IRVINE: Well, that is still better. We have also discovered that we do not know whether we have a status or not. That is something worth while discovering. We have also heard that the proper functioning of the Senate is that it should be sustained as the murderer of the legislative children of the Minister of Labour, and so there is a future for that institution which I did not dream of. The hon. member who has just taken his seat also started out by saying that Canada did not want her independence, and he finished by arguing that this country had that independence and had it to an equal extent with any of the other nations within the British Commonwealth of Nations.

Mr. CARROLL: If my hon. friend is referring to me I did not make any mention of "independence" at all. I did allude to "freedom."

Mr. IRVINE: I recall that the hon. member for Cape Breton South did, perhaps, discuss what constituted freedom at the close of his remarks, but I think if he reads Hansard to-morrow he will discover that he also made mention of "independence" in the early part of his speech, suggesting—as I heard him from here, I may not have heard him correctly—that no one would claim that Canada was prepared for independence. And then, as I say, he finished by saying that we had that independence to the extent of Ireland, even Australia, or any of the others. But as I was remarking when interrupted, we have at least got this substantial contribution, that if Canada has any status as a nation no one knows what it is. It has been asserted with great oratorical power by the Prime Minister to-day that Canada is absolutely free. That statement has been repeated by other hon. members, but I think the hon. member for West Calgary (Mr. Shaw) and the hon. member for one of the Nova Scotia constituencies —I just forget which—when they declare that Canada has the status of a colony are perhaps nearer the truth. However, here we are falling between the horns of two dilemmas. On the one hand we are told that we are not independent and must not be independ-

ent. On the other hand we are told that we are absolutely free and ought to be free. Again we are told that we have the status of a colony, and must not think or dream of asking for anything else. Now, will any member tell us what status we do have? I think the Canadian status, as has been revealed by the discussion to-day is just about as clear as mud to me. If it is clearer to other hon. members, I shall have to conclude that I have been unable to follow the argument properly. It has been said on the one hand that we have absolute independence. It has been said by the very same speaker that we have some obligations to something called an empire. Now national independence, as I understand it, is absolutely incompatible with any imperial idea so far known to history. It is inconceivable to me how any hon. member of this House in the same breath can boast of our national freedom and at the same time of our imperial relations and obligations. These two things to me together are absolutely incompatible. I think the discussion has proved also the necessity of some more thought on the part of all of us and on the part of the people of Canada on this subject.

Next, I will assert that we have in Canada no more liberty than we are prepared to claim. The Prime Minister insists that we have full liberties; but he would seem to imply that while we have full liberty we must not say it, or if we do say it, we must say it in some after-dinner speech, we must not say it in a resolution by the parliament of Canada, —that would be saying it too loudly and those who are concerned might hear it. That is the impression which I got from his declaration of liberty. We cannot have that liberty of which he spoke so well, if we have to go cap in hand to pray to any power outside of our own country to give us what we want. You may say "Oh, but Great Britain is so kind, so noble, so considerate, and so understanding that she will always give us what we want." That is a fine tribute to Great Britain I agree, but it is not satisfactory to me as a Britisher, for I want that same liberty, that same power of self-determination for my country which is Canada, as they have in Great Britain, and as I had when I was there, and I hope that no Canadian will be satisfied with anything short of that. Much has been said to-day about the sacredness of the British North America Act in its capacity as a contract. I am not, of course, schooled in law, but I am prepared personally to challenge this idea of contract. I do not think we can speak of a treaty between nations in the same manner that we can speak of a contract between two individuals. I do not think that the British North America Act can be considered a contract in the truest sense of that term. It can only be a contract during the lifetime of the signatories to that contract, or during the lifetime of those who authorized its being signed.

Mr. VIEN: Will the hon. gentleman contend that the legal representatives, even after the death of the contracting parties, are not bound by a contract?

Mr. IRVINE: I will answer my hon. friend's question by giving him an illustration of how ridiculous a thing that appears to be in my view, and then tell him more clearly what I am trying to explain. Supposing the great grandfather of my hon. friend had entered into a contract with his next door neighbour, that, three generations later, when my hon. friend was born, my hon. friend should be married on a certain day to the child of a certain individual, would my hon. friend have kept the contract? I question very much whether he would do so. His statement that, because 57 years ago the forefathers of the Canadian people now living were forced by circumstances to enter into certain negotiations with the British Empire and satisfied their wants at that time thoroughly and adequately, that half a century later, finding that we had developed new difficulties and had new problems to face, we should be bound by that same treaty, is equivalent to the illustration which I gave him. If the contract is going to be sacred, that contract must of necessity be ratified by every succeeding generation. That is the only possible intelligent way I can conceive of in which we can attribute sacredness to any kind of contract of this character.

In conclusion, let me say that it is not enough for us to feel glad that Great Britain would accede readily to any demand which we might make. That, as I have already said, is creditable to Great Britain, but is not so creditable to Canada. That is not the spirit of nationhood, that is not the spirit of that freedom which we enjoy from Great Britain. It goes much further than that. Personally, I am for the complete independence of Canada. Why should hon. members be afraid of that? I notice in particular to-day that some hon. members who speak the French language took exception to this resolution. Why should they take exception? Why should they feel afraid of coming entirely under the jurisdiction of Canada? Is the spirit of Canadians not as noble, and not as just, as that of Britons? Is Canadian statesmanship not big enough to continue to each

province that minority right with regard to education and religion, which is in the constitution, the British North America Act, and which have won for it just repute and respect? I believe that Canadian statesmanship would be willing to give that. I believe that the Canadian spirit is just as noble and just as free as the spirit of Great Britain. I believe, Mr. Speaker, that what we need in Canada more than anything else is the development of a virile national consciousness. You speak of putting the East and West together and you speak of unity. There can be no unity without national consciousness, and there can be no national consciousness without national responsibility. So that I hope those who have voiced their interests in this unifying principle will recognize this, and that before long Canada shall have her independence which we as Canadians would like to see her have, and at the same time have possibly a closer relationship with Great Britain than she has at the present time.

Mr. WOODSWORTH: There is little which I need to add to what my hon. colleague has just said.

Mr. SPEAKER: If the hon. member for Centre Winnipeg (Mr. Woodsworth) speaks now, the debate will be closed. If any other hon. gentleman desires to address the House on this resolution he must do so now.

Some hon. MEMBERS: No, no.

Mr. WOODSWORTH: I may be permitted to make one or two remarks in closing. It has been suggested that the time is not opportune for a discussion on such a subject as this. I should like to point out that every precedent was once an innovation, and that since our forefathers have been wise enough and able enough to make laws and to build up constitutions which served their day, but which were different from those which had preceded, we ought to have sufficient of the spirit and wisdom of our forefathers to do in our day what they did in theirs. It has been suggested by some of my hon. friends to my extreme right, in a rather superior way, that I ought not to introduce this resolution since there was no body of public opinion behind it. I do not quite know why they should arrogate to themselves the right to say what resolutions should be introduced on the floor of this House, or to suggest that public opinion is not behind such a resolution. I throw out that suggestion, particularly after the vote of two nights ago.

There is a growing body of public opinion across this country that frequently has not had any opportunity for expressing itself, and if sometimes those of us who represent that group speak, perhaps, in a way that does not convey the idea as fully as it should be conveyed, members of this House must give full indulgence, as we have not the experience in this House that some may have had. We are trying to voice opinions which may not be popular to the majority here; but we were sent here to voice those opinions, and that is our justification for bringing them up.

I was just a little disappointed at the attitude of some of my French friends sitting immediately in front of me. They sometimes claim to be nationalists, and yet they would refuse to support a resolution which looks, not, it is true, in the direction of complete independence, but still which would give the very largest measure possible of home rule. They have a good deal to say with regard to minority rights. Let me suggest to them that, perhaps, it is right and wise that they should remember that other parts of this country also have rights. We had, last night, a debate relative to the question of divorce. Some of us who are residing in the western provinces claimed that those western provinces should be placed in the same position as are the other provinces of Canada. I think it would be only fair that they should rush to our assistance if they themselves would claim certain minority rights. As my colleague has just said, I can hardly understand the fear that some have expressed with regard to their fellow-Canadian citizens. I hope that the people of Canada may be trusted to keep the spirit of guarantees that have been given.

The Prime Minister (Mr. Mackenzie King) asserted in one breath that we had not a colonial status, and still he had to admit in the next that we cannot revise our own constitution. That anomaly stands notwithstanding all that has been said by various members of this House, and it was to meet that situation that I introduced this resolution this afternoon. It has been said that the resolution has not been carefully drawn. I should like to suggest that, perhaps, it is more carefully drawn than some of the members have recognized. At least, it was drawn with sufficient care to draw a very considerable expression of opinion from all sections of this House. The Prime Minister says that at the Imperial Conference he took the position indicated in this resolution. All I am asking is that this parliament should openly state that self-same position. It may be that we shall not

always have a Prime Minister who takes that position. If it is right that the Prime Minister over at London should personally, on behalf of this country, state his opinions, surely it is quite right that this House should in a very moderate resolution of this kind, re-echo those self-same sentiments.

The Minister of Justice (Mr. Lapointe) and one or two other hon. members have suggested that since my purpose in introducing the resolution has been served, I should now withdraw it. It is not often that members in this corner of the House withdraw their resolutions, because one of the objects for which we introduce these is, very frankly, to have the other members of the House state exactly where they stand. But since they have so done, so very fully to-day, I must say I cannot see any very great advantage in pressing the motion to a vote. We have had the rather imperialistic admissions of the Prime Minister, and we have had also the—shall I say?—nationalistic aspirations of the leader of the opposition (Mr. Meighen) As we have had these frankly placed before us, I beg leave to ask that this motion should now be withdrawn.

Mr. SPEAKER: The motion cannot be withdrawn unless the House disposes of the amendment which has been moved by the hon. member for Brome (Mr. McMaster). I do not see the hon. member for Brome in his seat; but I understood from him when he spoke a moment ago, that he had no objection to withdrawing his amendment. That he can do only with the consent of the House.

Some hon. MEMBERS: Carried.

Amendment withdrawn.

Mr. SPEAKER: Shall the hon. member who made the motion have leave to withdraw the said motion?

Some hon. MEMBERS: Carried.

Mr. SPEAKER: The rule of the House will be found in Beauchesne's Parliamentary Rules and Forms at page 113:

> Where an amendment has been proposed to a question, the original motion cannot be withdrawn until the amendment has been first disposed of by being agreed to, withdrawn or negatived, as the question on the amendment stands before the original motion.

This is taken from May, page 250.

Motion withdrawn.

ST. LAWRENCE WATERWAY

Mr. JOHN MILLAR ('Qu'Appelle) moved:

> Whereas the project of deepening the St. Lawrence River is one of first importance and involves enormous expenditure; and
>
> Whereas public meetings, Boards of Trade, etc., in Western Canada and elsewhere are, as a result of active propaganda carried on by American and Eastern Canadian interests, passing resolutions urging the immediate undertaking of this project by this government, and
>
> Whereas it would appear that this propaganda is grossly misleading in some respects, and particularly in regard to the saving to be effected on the transportation of wheat, which is repeatedly said to be eleven cents per bushel.
>
> Therefore, be it resolved that the standing committee on Railways and Canals be requested to inquire fully into, and report on the matter of saving that may be effected on transportation of grain by deepening the St. Lawrence River, and apart entirely from the saving that may be effected through the deepening of the Welland canal.

He said: In dealing with this resolution, Mr. Speaker, I desire to make my position perfectly clear. The object of the resolution is not to place any opposition in the way of the project of deepening the St. Lawrence river. I do not wish at this time to pass upon the merits of that undertaking; but so that I may make plain what I intend by the resolution let me point out what has taken place in connection with the Welland canal. For some years we have been spending a considerable amount of money on the Welland canal and the question has been asked in this House: From whom came the request that the Welland canal should be completed? The Minister of Railways, being asked that question at the last session of parliament, was able to show by his records that resolutions had been passed in western Canada by boards of trade, and that it was partly as a result of these resolutions that the work on the Welland canal was being carried to completion. I felt at that time, as some others in this corner have felt, that we were placed in a false position. Those who are supposed to benefit by the opening of the Welland canal had not really requested that this project should be undertaken. A few had made that request by resolution, and we were very much inclined to think that the request was based on information which was far from complete; and it was through fear that the same thing might take place in connection with the deepening of the St. Lawrence river that I placed the present resolution on the order paper. At the present time a campaign of propaganda is being carried on in western Canada. A gentleman representing a large organization in the United States has been holding meetings in that part of the country, and among his statements there seem to be some that are very much exaggerated. Nevertheless, he is meeting with success in having meetings pass resolutions urging the immediate undertaking of this work by the Canadian government, and I believe that the strongest argument he is putting forward is the one that is likely to

serve as the most attractive bait, namely, the promise that the people will save on the transportation of wheat as much as 11 cents a bushel. Some have put it at a little less, but that is the saving that is suggested. Now, many of us are deeply interested in this question, having studied it carefully, because it is one of vital significance to us; and we are inclined to think that this statement as to the possible saving to be made on the transportation of wheat is grossly exaggerated; as a matter of fact the saving would be very small. We feel that perhaps the same thing that occurred in the case of the Welland canal will take place in this connection. Resolutions will be sent to the minister, and probably the government, finding the pressure become too strong, will be induced to undertake this vast project immediately involving an expenditure of several millions of dollars. I am not going to question the right of those in the United States or in eastern Canada, who are interested in having this work proceeded with, to send men to western Canada for the purpose of carrying on a campaign of propaganda; but I do question their right to make statements that do not seem to be borne out by the facts and which are bound to be misleading. I question their right to make such statements and then, on the strength of action taken in good faith on the basis of these statements, to have this great project undertaken. If it were not for the rules of the House, I could repeat a statement made recently during this session showing that the same arguments that were advanced in favour of the Welland canal are now being used in connection with the St. Lawrence scheme; that is to say, that the matter is about to be undertaken for the benefit of those who are interested in grain growing in western Canada. I do not think that those who are interested in eastern Canada and expect to use the electrical power that will be generated there are particularly concerned about those who are growing grain in the West.

Mr. ROSS (Kingston): Does the hon. member imply that it is the people who are interested in the development of electrical power who are spreading the propaganda he speaks of?

Mr. MILLAR: They are not the people, to my knowledge; but they are people living near the St. Lawrence river who, I believe, are deeply interested in the matter because they expect to get cheap power. With that wish I have sympathy, and when it comes to a discussion of the project as a whole I shall have to take the attitude—which I believe my colleagues will also take—that if it can be shown that it will benefit a large section of the country whose needs are greater than the needs of other parts of Canada we ought to give serious consideration to their request. But the point I wish to make is that those who wish the undertaking to be carried out are the ones that should get behind it. Let it not be saddled on those who are not asking for it. Do not let false propaganda—and it is my opinion that much of the propaganda in this matter is based on false premises—be the means of getting people who are not so much interested, to pass resolutions urging that the work be done; because, afterwards, when it is found to be too expensive and that it does not pay, these people will be blamed. When the people in some parts of the country, particularly the section in which I live, ask for an expenditure of money or for any particular undertaking which is very much needed, such for example as the building of branch lines, they are met with the assertion that a vast amount of money is being already spent in their interests. They are told: "A great deal of money is being spent in the interests of you people who live in the West, for the Welland canal is being opened up for your benefit." Now, it seems to me that the same argument will be used if the St. Lawrence project is carried through; we shall be told that it is being done for our benefit. In order to counteract the influence of this propaganda I have taken what seems to me the wisest course, and I would suggest that there be referred to the select standing committee on Railways and Canals this particular phase of the matter as to the amount of saving that will be effected in the transportation of grain; because that is the argument that is catching most of the people in the West who are passing resolutions in favour of the undertaking. If this committee will investigate that question carefully and report as to what they believe will be the actual saving, I am inclined to think it will be found to be very much less than 11 cents, which is now promised by the propagandists. The reference of the matter to the committee would in my opinion serve as a necessary check to the tendency to pass these resolutions. If the people in any part of Canada, including the western provinces, having the full facts before them, declare that they desire to have this work undertaken, I have no objections. But I very much object to having these resolutions passed by people who are placing themselves on record in the absence of anything like complete information.

I am anxious not to say anything to provoke a general discussion on the St. Lawrence route at this time, for the reason that the subject is likely to come up again on the resolution fathered by the hon. member for North Toronto (Mr. Church). For that reason I shall avoid entering into the merits or demerits of this great project, unless there is further discussion necessitating my doing so in reply. Being a member of the railway committee, it is possible that if I made the same request to that committee they would at once investigate the subject matter of my resolution. But I wish to make sure that an investigation will be conducted, and that is why I have placed the resolution on the order paper. I hope it will pass with little or no discussion.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): Mr. Speaker, the project to which my hon. friend has referred is of great magnitude, and negotiations have been in progress between the two countries affected. Copies of these negotiations up to date I think have been placed on the Table for the use of members. But my hon. friend has already noticed the announcement by the government that it is in process of appointing what might be called a "national committee" to investigate the very thing that he wants referred to the railway committee. This is not a small matter; it is a matter that requires the closest investigation and the most serious consideration by the best men we can find in the Dominion. The United States have appointed a committee to investigate the project from their standpoint, and the Canadian government is proposing to do the same. Now, it would not be becoming to ask a committee of this House to enter upon the performance of duties which are to be referred to this national committee, and the object my hon. friend has in view will, I trust, be better and more fully attained by that body than could possibly be the case were it referred to the railway committee.

I do not want to enter into any discussion as to the Welland canal or as to this great project, but I do want to tell my hon. friend that this national committee, as I call it, will have placed in its hands the very thing that he wants the railway committee to investigate, and I submit that the national committee will be the most competent body to ascertain what our government and parliament want to know. The railway committee is composed of 130 members, and if a committee were selected to investigate the question it would not be the railway committee, on account of its size, I think it is too unwieldy to undertake the details of such an investigation.

I sincerely hope that my hon. friend, having stated his case, will withdraw his resolution, under the circumstances when the government is preparing to appoint a committee to carry on this very work, a committee which will have wide powers and be representative of all Canada.

Mr. MILLAR: Mr. Speaker, in reply to the hon. minister—

Mr. SPEAKER: The speech of the hon. member will close the debate.

Mr. GRAHAM: If my hon. friend does not see fit to withdraw his resolution, several members will want to speak on it. If he does not see his way clear to accept my suggestion, under all the circumstances I think it would be wise to move the adjournment of the debate.

Mr. MILLAR: Perhaps I might ask the minister a question? How long is it before the committee referred to will be likely to report? I may be permitted to point out that the International Joint Commission did not in any way deal with this specific question on which I want information—the cost of transportation of grain. It is a question of vital importance to western Canada.

Mr. GRAHAM: If I might be allowed, Mr. Speaker, it would be very difficult to say when such a national committee could report because, as the hon. member has intimated, the question is a very vital one. But no steps will be taken of a practical nature so far as Canada is concerned until the information required is obtained. One of the very questions to be referred to the national committee will be the economic question and what gain will be ours, economically, by the construction of this great project.

Mr. MILLAR: Might I ask the hon. minister another question? Is it because of the magnitude of the inquiry, or because of a lack of courtesy to the national committee, that the minister objects?

Mr. GRAHAM: We are all out of order, Mr. Speaker, I admit. This is a question of such magnitude that I submit, with all deference to the railway committee, that the board which the government hopes to appoint will be in a better position to get information thereon and view it from all angles than will the railway committee with

its other work. I think it would be unwise to refer to a committee of this House a question for the settlement of which the appointment of a special body has already been announced, and I hope my hon. friend will on further consideration share my view.

Mr. MILLAR: In view of the explanation and objection of the hon. minister, I would ask leave to withdraw the resolution.

Motion withdrawn.

PACIFIC HALIBUT FISHERY

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

That it is expedient to amend section six of the Northern Pacific Halibut Fishery Protection Act, chapter sixty-one of the statutes of 1923, which relates to Canadian and United States nationals and ships liable to seizure for engaging in fishing for halibut in prohibited waters, by limiting the time for an offence thereunder to the close season as defined in the Act, and by repealing section nine, relating to the seizure of foreign ships.

Motion agreed to.

STANDARD PLATINUM GOODS

Hon. GEORGE P. GRAHAM: On behalf of the Minister of Trade and Commerce (Mr. Low) I beg to move that the House go into committee to-morrow to consider the following proposed resolution:

Resolved that it is expedient to amend the Gold and Silver Marking Act, 1913, to provide a standard quality for platinum goods.

Motion agreed to.

SUPPLY

Hon. J. A. ROBB (Acting Minister of Finance): I recognize that the hour is a little bit late, and that we cannot go into supply except by unanimous consent, but if the House were willing I should like to move that we go into supply this evening for the purpose of taking up one particular item under Public Works.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): The House could not go into committee of supply to-night for the simple reason that it is impossible on Thursday or on Friday to take up anything that has not been taken up on other days.

Hon. ERNEST LAPOINTE: Except by unanimous consent.

Mr. MEIGHEN: What is this item which is in such a rush?

Mr. ROBB: I might explain to the House that the deeds for the Canadian building in London have been completed, and we received a cable this evening that the agents were prepared to make delivery. An appropriation has been provided in the Estimates, and we are prepared to pay, but, of course, the appropriation has to be voted by the House. If my hon. friend objects we will not press for it to-night.

Mr. MEIGHEN: I would waive my objection to going into committee on this occasion, but I would give the minister warning that I think it will take some time to get the item passed.

Mr. ROBB: If my hon. friend offers any objections, we will go into supply tomorrow.

Mr. SPEAKER: Of course, the rule is very clear, as stated by the leader of the opposition. Rule 17C provides:

On Thursdays and Fridays when the Order of the Day is called for the House to go into Committee of Supply, or of Ways and Means, Mr. Speaker shall leave the chair without putting any question, provided that, except by the consent of the House, the Estimates of each department shall be first taken up on a day other than Thursday or Friday.

I left the chair a moment ago governed by that rule and believing that the House had given its consent. Otherwise, of course, I would not have left the chair.

Mr. GRAHAM: If unanimous consent be not given, we will go into supply on Public Works to-morrow; but if it were agreeable, we might go into supply to-night and not attempt to pass the item.

Mr. MEIGHEN: I am prepared to give consent to going into supply on the understanding that the government will not continue indefinitely in the vain hope of passing the item.

Mr. GRAHAM: Oh no.

Mr. MEIGHEN: I do not want to be understood as agreeing to going into supply to-morrow on the estimates of the Public Works department, because it would mean we could not make any motion at any future time with respect to that department.

Mr. ROBB: With that understanding I move that the House resolve itself into Committee of Supply.

Motion agreed to, and House went into Committee of Supply, Mr. Gordon in the chair.

PUBLIC WORKS

Public Works—Ottawa Parliament Building, $600,000; Ottawa, Addition to Dominion Archives Building, $275,000; London, England, Canadian office, $1,300,000.

Hon. J. H. KING (Minister of Public Works): The item I would like to discuss to-night is "London, England, Canadian office, $1,300,000." As the House is aware, it has

been the desire and intention of the government to secure proper quarters for Canadian offices in London. Up till last spring the Canadian offices were down in Victoria street, and those who have visited London will realize that they were not suitable and did not properly represent Canada as it should be represented in London. Last year when the Estimates were up for discussion, the Prime Minister made a statement in which he suggested that the government would inquire into the Cox Bank building. Investigations were carried on in regard to that building, but the price was considered higher than we were prepared to pay. Later on the High Commissioner suggested that the Union Club building could be secured, and this estimate is for the purpose of purchasing that building.

In addition to the purchase price, it is proposed to expend some £75,000 on improving the building. The Union Club building is well located. It is in the centre of the City of London and occupies probably one of the best sites that could be procured for a Dominion public building. The whole matter has been thoroughly canvassed, and the High Commissioner has recommended that this building should be purchased by the Dominion government. It is a four-storey building, with basement, and has a frontage of about 90 feet to Cockspur street and about 118 feet to Trafalgar Square. The total floor space is about 25,000 square feet. The following is a description of the property and the site by Messrs, Knight, Frank & Rutley, Estate Agents, Hanover Square, London, who examined the building at the request of the High Commissioner.

> The site occupies one of the finest positions in London, and, indeed, in the world, the Cockspur street frontage being exceptionally valuable on account of its being the centre of the West End Railways, shipping, banking, and insurance quarter, while a notable feature on the eastern side is the open outlook over Trafalgar Square.
>
> The opportunity to acquire such a property very rarely occurs, and if these premises had been available they would have been eagerly sought after, especially with the knowledge that the freehold belongs to the Crown, who are, almost invariably, willing upon suitable terms and conditions to grant renewals of leases.

The Canadian High Commissioner in London states that the position of the Union Club building is one of the best and that the building itself can, with certain alterations, be made one of the finest in London. The interior will have to be fitted for office requirements. The outside, while good from the architectural point of view is only stucco on brick and the High Commissioner suggests, if the building is purchased, to reface it with stone, similar to that adjoining, which belongs to the Royal College of Surgeons, and in the same manner as the facade of Buckingham Palace was treated. The cost of the alterations required to fit up the building for the purposes of the High Commissioner's and other Dominion government offices has not yet been fully determined, but it is estimated that it will amount approximately to £75,000.

Since this memorandum was made we have received the plans of the architecture. That is their estimate, and that is the estimate we are carrying for the improvement of the building:

> That the building in question stands on a site owned by the Crown, as represented by the government of Great Britain, which ground is held under a Crown lease for a period of 60 years from January 5, 1903, having therefore still 39 years to run approximately; the rental is £2,000 per annum.

That is to the British Crown. Within the last few weeks the government have taken up with the British government, through the High Commissioner, the desirability of extending that lease for 100 years, making a full 100 year lease. The British government have consented to the extension making the Crown lease for 100 years, but they have asked an additional £855 making the Crown rental for the extended lease to 100 years £2,855 per annum. The price asked by the Union Club for the property is £225,000. That is for the building. As to the reasonableness of this price, the following extract is taken from the report above mentioned of the real estate agents of Knight, Frank & Rutley:

> Having regard to the improbability of being able to acquire any other site of this character and importance in such an exceptional position, and to the fact that the premises were not in the market, we are of the opinion that £200,000 (Two hundred thousand pounds) would be a fair price for the lease to anyone who must have an important building in this immediate vicinity. Indeed, a higher figure might have to be paid to secure such a property.

The High Commissioner in his report states:

> I think that the price is very materially less than the property is worth.

The following statement shows the value of the properties adjoining the Union Club building:

> South African government (Morley's Hotel), corner Trafalgar Square and Strand.
>
> Crown Lease purchased in 1921 having 10 years to run—Cost $135,000. Annual rental £2,000.

That is the ground rental.

> Ground Area—about 5,000 square feet. Purchased about 1919.
>
> Peninsular & Oriental Steamship Co. Ltd. 15/16, Cockspur Street.
>
> Crown Lease, about 30 years—Cost £80,000.
>
> Annual Ground Rent—£5,000.
>
> Subsequent freehold acquired at additional cost £160,000.
>
> Ground area about 5,500 square feet.
>
> Purchased about 1919.

Barclays Bank (Kinnaird House). Corner Pall Mall East and Haymarket.
Crown Lease for 80 years and modern building, cost £250,000. Ground rental £8,000.
Ground area about 11,500 square feet.
Purchased about 1914.
Royal Mail Steamship Co. Corner Cockspur St., and Spring Gardens, (immediately opposite Union Club) Freehold purchased since 1910 at a cost of £80 per square foot.
Area about 3,600 square feet or £288,000.
Purchased about 1912.
Cox's Bank, corner Waterloo Place and Pall Mall.

That is the building I think the Prime Minister referred to last year as being under consideration at that time.

Crown Lease 80 years—cost £200,000.
Annual Rent—£7,500.
New Building about finished, £500,000.
Ground area—10,000 square feet.
Purchased about 1922.

Sir HENRY DRAYTON: Can the minister tell us the ground area of this property?

Mr. KING (Kootenay): Yes, 25,000 square feet.

Sir HENRY DRAYTON: That is the floor area, not the ground area?

Mr. KING (Kootenay): I do not know that I have the ground area here.

Sir HENRY DRAYTON: Without it the comparisons you are giving are meaningless.

Mr. KING (Kootenay): I do not believe I have the information in front of me. I will give it to the House tomorrow.

Sir HENRY DRAYTON: Perhaps my hon. friend would bring down other information as well tomorrow, in that way we may save time. For example I think the House will want to know at the very inception of this matter what it is going to cost. Perhaps my hon. friend can tell us now what the cost is, and, what the annual cost to the country will be in owning these premises. Then, perhaps he will tell us what will be the cost per annum in interest and taxes of owning this place.

Mr. KING (Kootenay): The purchase price is £225,000, the estimated cost of alterations £75,000, and the annual ground rental £2,850.

Sir HENRY DRAYTON: What is the annual interest?

Mr. KING (Kootenay): A saving in rents will be made in London by consolidating the offices in this building.

Sir HENRY DRAYTON: I wonder if the minister will answer the question, and give us the information as to the annual interest in taxes on top of all this.

Mr. KING (Kootenay): I have not figured it up. We will have that figured to-morrow and submit it to the hon. member.

Sir HENRY DRAYTON: Can the minister give last year's taxes? Then we will get some intelligent information.

Mr. KING (Kootenay): I am simply giving the House an outline of the proposal now. Later on we will discuss the details. I will have the information available to-morrow as to the annual cost. I think perhaps I have it here, if I could only put my hand upon it. We are paying comparatively large rentals in London which we will save by taking over this building. Then we shall have the Canadian offices there centralized. The government deem it essential that Canada should have a proper building in the English capital, it being the seat of the Empire. The matter has been very carefully canvassed and I am satisfied that the price as suggested is one that is in the interest of Canada.

Mr. STEVENS: May I ask the minister if there is not some proposition that we purchase the building owned by the British Columbia government?

Mr. KING (Kootenay): Yes, that was under consideration but the government declined to dispose of the building.

Mr. STEVENS: The provincial government declined to dispose of the building?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: Would the minister in the information he is to bring down to-morrow advise us what the total amount is now being paid for rentals for offices in London which will be accommodated in this building. He might at the same time tell us what our position will be at the end of the 100 years' lease, and what rate he proposes to set up for the yearly amortization of our interest during those 100 years, and what the carrying rate will be. The amortization of course goes to the value of the lease as such, it being a lease for a term stated, apart altogether from the question of the depreciation of the building which he has to consider when he is making his calculation. We would also like to know at what rate of interest the amortization is to be considered, both of the lease as well as the depreciation; and also the rate of interest that the minister thinks should be allowed at arriving at the annual cost to the country of the investment

in the property. Then it is suggested that the taxes change. Of course they do change. The hon. Minister of Railways (Mr. Graham) suggested that. Perhaps the best thing we could have on the question of taxes would be the production of the tax bills for the last three years, showing the whole amount of taxes payable. I do not suppose the bills are here, but the information must be here, because I assume this matter has been carefully considered by the High Commissioner; in fact the minister told us so; and undoubtedly when anybody makes a purchase of this magnitude one of the first things he would consider would be the tax commitments. In addition to that, perhaps we could get some information as to the character of this building by finding out what the insurance rate upon it is, and what the insurance charges will be. Of course, over and above that, I assume the information in regard to taxes will not only include the usual municipal rates but would include all services. I think the minister is well aware that they have special services and special rates that apply in England, and in London particularly. I have no doubt the Minister will have it all. We are proceeding under the assumption that there has been a change in the personnel of agents buying property in our consideration of the matter. I do not suppose Mr. Aronovici had anything to do with it, but perhaps it would be just as well if the minister would tell the House who the agent handling the matter is, the commission, and the names of the present lessors.

Mr. KING (Kootenay): I will be glad to supply any information I can obtain to the committee to-morrow.

Progress reported.

On motion of Mr. Graham the House adjourned at 10.35 p.m.

Friday, March 21, 1924

The House met at three o'clock.

PRIVATE BILLS

FIRST READINGS

Bill No. 14, to incorporate The Roman Catholic Episcopal Corporation of Prince Rupert.—Mr. Stork.

Bill No. 15, respecting The Canada Southern Railway Company.—Sir Henry Drayton.

Bill No. 16, respecting The Detroit River Tunnel Company.—Sir Henry Drayton.

Bill No. 17, respecting The Montreal, Ottawa and Georgian Bay Canal Company.—Mr. Clark.

Bill No. 18, respecting a certain patent of The Fleischmann Company.—Mr. Jacobs.

Bill No. 19, respecting the Canadian Pacific Railway Company.—Mr. Jelliff.

PROHIBITION IN UNITED STATES

CONVENTION BETWEEN HIS MAJESTY AND THE PRESIDENT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That it be resolved by the..... House of Commons that it is expedient that parliament do approve of the convention between His Majesty and the President of the United States of America, signed at Washington on the twenty-third day of January, one thousand nine hundred and twenty-four, for the purpose of avoiding any difficulties which might arise between them in connection with the laws in force in the United States, on the subject of alcoholic beverages, a copy of which has been laid before parliament.

That a message be sent to the Senate informing their honours that this House has adopted the above resolution and requesting that their honours will unite with this House in the approval of the above-mention convention.

And that the clerk do carry the said message to the Senate.

He said: Mr. Speaker, very shortly after the opening of parliament, I laid on the Table a copy of a convention between the United Kingdom and the United States of America, respecting the regulation of the liquor traffic. This subject was one of consideration and of discussion at the Imperial Conference last fall. It is referred to in the summary of proceedings of the conference which has also been tabled. I might quote from the reference, to be found on page 12 of the summary, the paragraph that is pertinent. It reads as follows:

During the session of the conference, the question of the regulation of the liquor traffic off the American coasts and of the measures to be taken to avoid a serious conflict either of public opinion or of official action was seriously debated. The conference arrived at the conclusion that, while affirming and safeguarding as a cardinal feature of British policy the principle of the three mile limit, it was yet both desirable and practicable to meet the American request for an extension of the right of search beyond this limit for the above purpose, and negotiations were at once opened with the United States government for the conclusion of an experimental agreement with this object in view.

I should like to give to the House the essential provisions of the convention, or treaty as it may be called, and will do so, in as brief a form as possible:

The principle that three marine miles from low water mark constitute the proper limits of territorial water is upheld.

Appropriate provision is made for the searching of British vessels under stated con-

ditions; and when there is reasonable cause for belief that the vessel has committed or is committing or is attempting to commit an offence against the laws of the United States prohibiting the importation of alcoholic beverages the vessel may be seized and brought into the United States for adjudication.

It is provided that this right of seizure may be exercised within the distance from the coast that may be traversed in one hour by the vessel suspected of endeavouring to commit the offence. Where a transfer from one vessel to another is contemplated, it is the speed of the latter vessel which is to determine the distance from the coast within which seizure may be made.

The treaty also provides that no penalty or forfeiture under the laws of the United States shall attach to the carriage of alcoholic liquors by British vessels when listed as sea stores or as cargo destined for a port foreign to the United States, provided that such liquors are kept under seal continuously while the vessel is within the territorial waters and that they shall not at any time or place be unladen within United States territory. Such carriage is to have the same status as now provided by law with respect to the transit of alcoholic liquors through the Panama canal. Provision is made for reference to a joint commission of claims for compensation where a British vessel has suffered loss or injury through any unreasonable or improper exercise of the rights conferred by the treaty. The treaty is subject to ratification in the usual manner, and is to remain in force for one year from the date of the exchange of ratifications. Three months before the expiration of the year modifications may be suggested by either party, and if no agreement is made with respect to them the treaty is to lapse; otherwise it is to continue from year to year subject to a similar right of proposed modifications. The treaty is also to lapse if either of the parties is prevented by judicial decision or legislative action from giving full effect to its provisions, and in case from any cause the treaty comes to an end, such party is to enjoy all the rights he would have possessed had it not been concluded.

The convention was signed at Washington on January 23 of this year by the British ambassador, Sir Auckland Geddes, representing His Majesty the King, and by the Hon. Mr. Hughes, Secretary of State of the United States, representing the President. It has since been ratified by the Senate of the United States on March 13, by a vote of 61 to 7. It will be ratified by the King as soon as approval of the treaty has been given by the parliament of the United Kingdom and the parliaments of the several self-governing dominions. On January 12 of this year the Canadian government was asked if its ministers approved of the terms of the treaty, and also if they were agreeable to having the British ambassador sign the treaty. On the day following a reply was sent to the British government intimating that the terms of the treaty were agreeable to our ministers; also that the government was agreeable to having the British ambassador sign. The reply drew attention to the particular clause in the treaty which refers to vessels which may be illegally seized and brought into port. We felt that if the vessel seized should happen to be under Canadian registry it was but right that the British representative on the board appointed to adjudicate upon the matter should be a person nominated by the Canadian government; we also felt that the government should only give its approval subject to the subsequent approval of this parliament. These two intimations were given in our despatch, and in the reply which was received from the British government it was intimated that the wish of Canada in both those particulars would be fully respected.

I will, for purposes of greater accuracy, indicate to the House more or less in the language of the despatch itself, the form in which our approval as a government was given to the terms of the treaty. The despatch, sent on January 12 intimated—that: The government of Canada, subject to acquiescence by the British government in the conditions therein mentioned, approved of the proposed treaty with the United States, and approved of the signature of the treaty by His Majesty's representative at Washington. It had been decided that parliamentary approval should be obtained before concurrence in ratification should be intimated. It was stated that the Canadian parliament would probably meet before the end of February. That the Canadian government's present approval of the proposed treaty was given on condition that it was understood that if a joint board to report upon the claims of compensation by a vessel of Canadian registry is required to be constituted under Article 4, the selection of the person whose name is to be submitted to his Majesty for appointment to the board will be made by it. In conclusion the despatch said it was assumed that an undertaking by the British government on this point would be sufficient and that provision with reference thereto need not therefore be included in the treaty.

The reply sent stated that it was quite understood that the Canadian government

would wish to obtain the approval of the Canadian parliament before ratification, and that a similar course was contemplated in the United Kingdom; that his Majesty's government would readily leave to the Canadian government the nomination of the person to be the member of the joint board referred to in Article 4 in respect of vessels of Canadian registry and agreed that it was not necessary to make provision in the treaty, further that the same procedure was contemplated in case of other dominions.

As I have intimated, the treaty was signed on January 23rd by the British ambassador. In this connection may I point out to the House that the practice followed with respect to the signature of this treaty is the one decided upon at the recent Imperial Conference and set out in the report of the Summary of Proceedings of the Imperial Conference to be found on pages 13, 14 and 15 in the part of the report relating to negotiation, signature and ratification of treaties. With reference to the signature of treaties there are the following provisions:

(a) Bilateral treaties imposing obligations on one part of the Empire only should be signed by the representative of the government of that part.

The Halibut treaty which has been the subject of discussion in this House is of that character. It is a bilateral treaty which imposed obligations only on Canada, not on other parts of the British Empire, and as such according to the procedure which the Imperial Conference has thought proper in this matter, it should be signed by a representative of the government of Canada. Now I continue to quote from the report of the proceedings:

The full power issued to such representatives should indicate the part of the Empire in respect of which the obligations are to be undertaken, and the preamble and text of the treaty should be so worded as to make its scope clear.

(b) Where the bilateral treaty imposes obligations on more than one part of the Empire the treaty should be signed by one or more plenipotentiaries on behalf of all the governments concerned.

This treaty between His Majesty and the President of the United States is a bilateral treaty which imposes obligations on more than one part of the Empire. It imposes obligations on all parts, and therefore it is, in the language of the procedure set forth by the conference, to be signed by one or more plenipotentiaries on behalf of the governments concerned. It would seem quite sufficient that the British Ambassador should be sole plenipotentiary for this purpose. I might say I am informed that the governments of Australia, New Zealand, South Africa, Newfoundland, and the Irish Free State have all approved of the terms of the treaty, and have all expressed their acquiescence in having the British Ambassador sign the treaty in so far as their interest in the matter is concerned. The act of ratification is an act of the sovereign. The treaty while it has been ratified by the United States has not yet been ratified by His Majesty the King. That ratification awaits, as I have already intimated the concurrence of the governments of the several parts of the Empire before that step is taken.

In regard to the ratification of a treaty, the Imperial Conference has the following to say with respect to procedure:

Ratification of treaties imposing obligations on more than one part of the Empire is effected after consultation between the governments of those parts of the Empire concerned. It is for each government to decide whether parliamentary approval or legislation is required before a desire for or a concurrence in ratification is intimated by the government.

It will be seen by the statement I have just read that it is not essential to ratification that parliament should approve treaties. Ratification being an executive act may be taken by the executive independent of parliament altogether, should the executive of the country, in other words the government concerned, so desire. We have felt that in these important matters of treaty the parliament should be asked to approve before the government would concur in the ratification. It is with a view of obtaining the approval of the parliament of Canada that to-day we are asking this House to pass the resolution which I have just presented. In recommending the adoption of the resolution, I do so on the grounds which have been urged in the United Kingdom and elsewhere, namely: First of all, there is the ground of morality, that it is obviously desirable for countries to unite in endeavouring to give effect to the laws of other friendly countries, particularly where those laws have in view serving a great moral purpose. There is next, and closely allied, the ground of international good-will. There is reason to believe that the United States is most anxious that this course should be taken; that this treaty should be passed, and we in Canada, as a near neighbour, will I think, feel gratified at an opportunity of being able to facilitate in any manner possible the furtherance of friendly relations between Great Britain and other parts of the British Empire and the United States. By giving our approval in a whole-hearted manner to this treaty, I think we shall be helping to serve that end. Finally, it has been represented by British shipping interests that it will be very much to their

advantage that this treaty should be enacted. While, on the one hand, it gives to the United States government the privilege of the right of search beyond the three-mile limit to a point which, roundly speaking, it has been estimated might be set at somewhere within the vicinity of twelve miles, with a view of assisting the United States government to enforce its legislation restricting the importation of alcoholic beverages, on the other hand, it gives to British shipping interests the right to carry alcoholic beverages under seal into United States ports, provided that those alcoholic beverages are kept under seal when within the three-mile limit. On these grounds, therefore, of commercial interest, moral obligation and international good-will, I recommend the adoption of the resolution by the House.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Before the Prime Minister closes, I would like to ask first this question: Does the treaty entirely fail of effect if it should be that the parliament of any single one of the dominions fails to ratify it?

Mr. MACKENZIE KING: I assume that the British government would reconsider the present wording of the treaty if any of the parliaments of the British Empire should refuse to approve it, possibly exempting the particular country concerned from the provisions of the treaty; but I should expect that in this case a question of that kind would not be apt to arise.

Mr. MEIGHEN: There are two other questions on another point which the Prime Minister referred to, namely, the point of the formality of the execution. First, how is it determined whether a treaty is bilateral, affecting one part or dominion alone? What precautions are taken to make sure of that? Second, in the event of its being found to be a bilateral treaty affecting one part alone, upon whose recommendation does His Majesty act in authorising the execution by the appropriate dominion representative?

Mr. MACKENZIE KING: With regard to the first question which my right hon. friend has asked: How is it ascertained that a bilateral treaty applies to one particular part of the Empire or more than one, I would answer that that fact would be ascertained by the terms of the treaty itself, its subject matter and by conference between the different parts of the Empire. The paragraph in the report of the Imperial Conference which deals with the subject of negotiation of treaties, contains, I think, what will answer my right hon. friend's question. The paragraph reads:

> (a) It is desirable that no treaty should be negotiated by any of the governments of the Empire without due consideration of its possible effect on other parts of the Empire, or, if circumstances so demand, on the Empire as a whole.
>
> (b) Before negotiations are opened with the intention of concluding a treaty, steps should be taken to ensure that any of the other governments of the Empire likely to be interested are informed, so that, if any such government considers that its interests would be affected, it may have an opportunity of expressing its views, or, when its interests are immediately involved, of participating in the negotiations.

If that course is pursued, I think it will soon become apparent to any particular self-governing dominion or the government of the United Kingdom, whether the treaty which it proposes to negotiate is one that concerns only one part of the Empire or more than one part. In these, as in all matters, common sense has to govern in the last degree; hard and fast lines cannot be laid down; but the broad intelligence that is usually applied to matters of this sort would soon, I think, make it quite apparent and clear whether a self-governing dominion or the government of the United Kingdom would be justified in regarding a treaty as imposing obligations only upon itself.

As to the second question which my right hon. friend has asked—on whose advice does His Majesty act in ratifying a treaty, was it?

Mr. MEIGHEN: No, in a case, for example, of a treaty which, after the conference, the other dominions and the United Kingdom should agree affected Canada alone. In that event, some Canadian is authorized by His Majesty to sign. Upon whose advice does His Majesty act in authorizing the execution, thus approving the terms of the treaty?

Mr. MACKENZIE KING: In this report of the Imperial Conference is mention of the legal adviser of the Foreign Office, who was present when the particular matter to which my right hon. friend refers was discussed at a subsidiary conference. His name is Sir C. J. B. Hurst. Perhaps I can best illustrate the point of view which was expressed at that time, by recalling, as best I can at the moment, an answer made by Sir Cecil Hurst to a question that was asked by one of the dominion prime ministers. It was in the nature of a rhetorical reply. In the event of advice being given to His Majesty which might prove to be not proper advice, and the necessity should arise for impeaching the minister or prime minister who had given it, would it, asked Sir Cecil, be the British Prime Minister or the

Secretary of State for Foreign Affairs of Great Britain, or the minister or prime minister of the dominion concerned against whom impeachment proceedings should be properly started? That question was put in that way to elucidate where the responsibility began and where it ended. I gathered, I think rightly, that the interpretation which the Foreign Office placed upon the matter to which my right hon. friend just referred is this, that the government of the Dominion which was tendering the advice in such a case was the government that was responsible; that it was advising His Majesty direct in regard to matters which were of sole concern to the dominion; that in the transmission of that advice the British government was acting as the channel through which that advice was transmitted, but was not the government which was formally tendering the advice.

Mr. MEIGHEN: I understand, then, that the Prime Minister intimates that for the sake of approving of a certain treaty a Canadian should be appointed to execute it and that the British government itself would entail no responsibility; in other words, that His Majesty would act solely on the advice of his Canadian Privy Council.

Mr. MACKENZIE KING: I take it that the view of the British govenment is that it is prepared to trust the governments of the self-governing dominions "all in all or not at all" in this as in other matters; and that on a matter in regard to which a dominion government has a right to advise His Majesty direct, such as the question of who should be appointed to sign a particular treaty which comes within the group of bilateral treaties, to which I have referred, which impose obligations on only one part of the Empire, the responsibility shall rest with that particular government and not with the British government.

Mr. MEIGHEN: If such is the case, and if the approval of the British government is not at all essential, is not indeed obtained, why does the transmission take place through the British government and not through His Majesty direct?

Mr. MACKENZIE KING: I think my hon. friend will see that these are all matters of constitutional development. Up to the present time all communications have gone to His Majesty through the British government. It will also be seen that it is obviously desirable to have some central agency or channel through which all communications may pass and where they may be noted. I think it would be palpably unwise to have different parts of the British Empire communicating direct with His Majesty, without any knowledge on the part of other parts of the Empire that such advice was being given in that way. I consider it advisable that in the working out of a great constitutional evolution—for that is really what is involved in these matters—steps should be taken slowly and with great caution.

Mr. MEIGHEN: I take the responsibility of stating the situation as I understand it. and which I think is a more correct statement of the actual constitutional result. The function of the British government will consist in making a recommendation; the wording of the transmission to His Majesty will be a recommendation. I do not think the Prime Minister would venture to deny that. The British government having been first apprised of the terms of the treaty and having agreed that the matter is purely one that concerns Canada, the recommendation will in every case be cheerfully given; but it will signify to His Majesty the approval by the British government of the treaty.

Mr. MACKENZIE KING: My right hon. friend is always prone to assert his own views as against the views of everyone else. I have given him my understanding of the situation, arrived at after a conference with the British authorities, and the prime ministers of the other dominions in the presence of Lord Curzon who as Secretary of State for Foreign Affairs presided; at a subsidiary conference of the Imperial Conference held expressly for the purpose of considering these very matters. As I have intimated, when the matter was discussed, the conference had the benefit of advice from the legal adviser to the Foreign Office, Sir C. J. B. Hurst, who is perhaps the greatest authority on international law in the world. I believe I have accurately stated the position; it is certainly the basis upon which this government is proceeding.

Mr. MEIGHEN: As regards the merits of the treaty itself, I do not propose to take general exception to its terms as generally outlined by the Prime Minister. As respects the last point, whether I am right, or whether the Prime Minister is, will I think wholly depend upon whether a recommendation actually goes from the British government; whether the document that passes from them to His Majesty contains a recommendation or merely transmits one of ours. I shall be interested to know just how the matter de-

velops and whether such a recommendation passes or not. This arrangement having been arrived at as between the dominions and the United Kingdom on the one hand and the United States on the other, for the settlement of a somewhat vexed matter of controversy between them, I feel that on the part of this parliament there will not be a disposition to refuse ratification. With regard to the necessity for ratification by parliament, I only emphasize that this is no new development; this is no accretion in the evolution of our constitutional relations; it is something that has been meticulously observed, in respect of matters both of great and of little consequence, in at least the last decade of our history.

Mr. MACKENZIE KING: In order that there may appear correctly in Hansard the references to the persons concerned in the subsidiary conference to which I have referred, I would direct the attention of hon. members to the opening paragraph in the summary of proceedings of the Imperial Conference. I have reference to the section relating to negotiations, signature and ratification of treaties.

The principles governing the relations of the various parts of the Empire in connection with the negotiations, signature and ratification of treaties seemed to the conference to be of the greatest importance. Accordingly it was arranged that the subject should be fully examined by a committee, of which the Secretary of State for Foreign Affairs was chairman. The Secretary of State for the Colonies, the Prime Ministers of Canada, the Commonwealth of Australia, New Zealand, the Union of South Africa and Newfoundland, the Minister of External Affairs of the Irish Free State, and the Secretary of State for India as head of the Indian Delegation, served on this committee. With the assistance of the legal adviser to the Foreign Office, Sir C. J. B. Hurst, K.C.B., K.C., the following resolution was drawn up and agreed to:—

Then follow several paragraphs relating to negotiations, the signing of treaties, and their ratification. It was as a member of that conference that I heard stated the position as I have given it to this House; and it was, I think, quite beyond question in the mind of anyone present that the position was exactly as I have indicated. Indeed, I might say to my right hon. friend, so important did I consider the matter, that at the conference I asked the particular question to which he himself has referred, and received the reply which I have given to the House.

Hon. J. B. M. BAXTER (St. John City and Counties of St. John and Albert): Is this treaty reciprocal? I mean, is there an extension of the old three-mile limit on behalf of the British Empire, or any of its component parts, commensurate with the right which is given to the United States? Or does the treaty provide only for the protection of the United States against the infraction of its prohibitory law, while leaving certain provinces of Canada, which have equally rigorous laws, subject to the old three-mile limit?

Mr. MACKENZIE KING: I think it was considered by the British government that the treaty had distinct reciprocal advantages. I know, as I intimated in the course of my remarks, that the British shipping interests considered it of the greatest importance that they should have the right to go into American ports with liquor aboard their vessels under seal, whether taken to and fro across the Atlantic or in transit to some other port. From the point of view of commercial interests I believe there was felt to be a distinct advantage to the shipping interests, whether they were in part Canadian or largely, as I believe, confined to the United Kingdom.

Mr. BAXTER: I do not think I have made myself quite clear to my right hon. friend. I appreciate what the Prime Minister says about the shipping interests, but let me put a concrete case to him. Take the shores of New Brunswick, for instance. There we have a prohibitory law as rigorously drafted and as unrigorously observed as any law on the continent. Now, assume what is highly improbable, an attempt to invade the province of New Brunswick with liquor. Have we a twelve-mile protection within which the government of Canada can seize an American vessel which is seeking to infringe our prohibitory law?

Mr. MACKENZIE KING: That particular phase of the matter was not considered in the discussion, but I have not the least doubt whatever that if my hon. friend feels the need of such legislation there will be no difficulty in securing it.

Mr. BAXTER: If—

Mr. SPEAKER: Order.

M. BAXTER: If I may be permitted to proceed a little further?

Mr. SPEAKER: By unanimous consent.

Mr. BAXTER: If there is no objection. I understand the British shipping interests have gained a substantial advantage as under this convention they are able to take liquor within the confines of the United States, something which they could not have done before. I would ask my right hon. friend whether there has been any attempt on the part of the Dominion government to demand

from the United States the letting down of the same barriers against Canadian interests as a consideration for this concession, which must be of very great value to them morally and on other grounds? In other words, what do we get out of it, from the Canadian standpoint?

Mr. SPEAKER: Of course, no objection has been raised to this cross-examination and as the question is a very important one, affecting vitally the interests of both countries, by unanimous consent I have allowed these questions and answers, but such procedure is not in accordance with the rules of the House under which each member may speak only once. However, I am in the hands of the House.

Mr. GEORGE BLACK (Yukon): Mr. Speaker, although undoubtedly under this treaty the right of Great Britain to send British vessels into American ports with liquor has been finally admitted by the United States, it should never have been necessary to have such admission, as Great Britain undoubtedly always had that right. In addition to the apparent omission which the hon. member for St. John (Mr. Baxter) has called to the attention of the government, I would mention another Canadian problem which I think might very well have been discussed and settled in connection with this treaty. It concerns the province of British Columbia and the Yukon territory. Because of the geographical situation it is impossible to send anything into the northern part of that province and the Yukon territory except through Alaska. Now, the United States in the interpretation of its prohibition law holds that it is illegal to send liquor across any portion of the United States. In British Columbia and in the Yukon territory liquor is handled solely by the government. Up till 1922 no objection was raised by the United States authorities to the importation of liquor across Alaska for the use of northern British Columbia and the Yukon, but early in that year they announced that no further importation would be permitted. I understand negotiations have taken place between the government of Canada, on behalf of the government of the Yukon territory, and the government of the United States, but that as yet our neighbours are unwilling to concede us—shall I say this privilege? I prefer to call it our right—they are indisposed to revert to the former practice, although the liquor is sent up the coast in Canadian vessels in bond, unloaded into railway cars at the dock and within a period of two hours transported across United States territory in bond into Canadian territory. Consequently we are prevented from receiving any further importations there. The attitude of the United States, to my mind, is nothing more nor less than that of the dog in the manger; they will not themselves have liquor in Alaska, and they will not let us have it in the Yukon.

There has been no illicit traffic in liquor from Yukon to Alaska. As a matter of fact the government of the Yukon territory imports only such a moderate quantity as, after careful calculation, they are assured is sufficient to meet the reasonable needs of their population. I submit the same question as that put by the hon. member for St. John in the language of the United States: What do we get out of this? That is the question the United States asks on every occasion, international or otherwise. I submit there is not enough in this treaty for us, and if by holding up its ratification the government can bring about a restitution of the right of importation by the government of British Columbia across Alaska into the Yukon territory, most certainly this course should be taken. It is a very important matter for the people of that part of Canada. The governments of British Columbia and the Yukon derive quite a large revenue from their control of liquor. There is no intemperance because the government importations are, as I have already stated, strictly limited to local needs, so that naturally there is an absolutely temperate use of liquor. In the old days saloons were just as numerous there as in other parts of the Dominion, but under the present system the use of liquor is not abused.

The action of the United States in this matter is decidedly unfriendly and absolutely unnecessary, and could be reversed quite easily if they wish to convenience us. Although, I understand, correspondence is now proceeding between the government of Canada and the government of the United States in relation to renewal of our right to import liquor across Alaska for government purposes yet the earlier correspondence extending over the past two years has been entirely without avail, and I submit that once this treaty is ratified and the United States get what they want, Canada will never secure what she is entitled to. I would therefore urge that the government should take into consideration this very serious problem of the Yukon territory and northern British Columbia and withhold consent to the treaty until the United States changes its attitude in the matter.

Mr. SPEAKER: Before the right hon. gentleman (Mr. Mackenzie King) closes the debate, if any other hon. member desires to speak he should do so, now.

Hon. CHARLES MARCIL (Bonaventure): Mr. Speaker, those who are interested in the province of Quebec were made aware some months ago that there is quite an industry there in the smuggling of liquor into the United States. It may occur also from the United States into that part of Canada, but not to the same extent. I notice the treaty refers to water-borne traffic more especially. I should like to know if any negotiations have taken place with the United States with a view to putting a stop to this illicit traffic from Quebec, and, if so, with what result

Mr. MACKENZIE KING Beginning last fall, negotiations took place, first by correspondence and subsequently by personal conference, between representatives of our government and of the government of the United States with respect to enforcement of laws to prevent the smuggling of liquor from Canada into the United States, These negotiations have been continued, and I hope very shortly to be able to report to parliament the result. This, I think, answers what is in the mind of my hon. friend from Bonaventure (Mr. Marcil). The question to which the hon. member for the Yukon has referred has been carefully considered. The view of our Canadian government was that it was not advisable to confuse the two discussions, the one relating to the right of search on the high seas, and the other a matter of negotiations between Canada and the United States respecting amongst other matters the importation of liquor into the Yukon. The subject of which I am speaking this afternoon has relation only to questions affecting the high seas.

I may say to the hon. member for Yukon (Mr. Black) that the remarks he has made on this occasion bear out the very strong representations made by the government to the United States authorities in this matter. I would not like to suggest and the House has apparently not thought so—that this treaty should be held up, for the reason that I have in my hand a message from the Right Hon. Ramsay MacDonald asking that if possible the matter be proceeded with with as little delay as possible, as the British government are anxious to have this treaty ratified just as soon as it can be arranged.

Mr. BLACK (Yukon): Once this treaty is out of the way, has Canada any leverage on the United States by which it can obtain from them the rights she now seeks?

Mr. MACKENZIE KING: The United States have made a large number of requests of our government in the matter of assisting them in the enforcement of their laws, and we have the leverage that is afforded there in helping to solve the problem.

Motion agreed to.

CANADIAN NATIONAL RAILWAYS—BRANCH LINES

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): I would like to ask the government two questions; first, is it the intention of the government this year to introduce the Canadian National Railways branch lines bill in the Senate before it comes to this House? If not, how soon may this House expect the branch lines bill to be brought down?

Hon. GEORGE P. GRAHAM: (Minister of Railways and Canals): The reply to the first question is, no; the reply to the second, next week.

QUESTIONS AS ORDERS FOR RETURNS

OBJECTION BY MR. HANSON

On the Orders of the Day:

Mr. R. B. HANSON (York-Sunbury): Before the Orders of the Day are called I have a question to ask of the Minister of Public Works (Mr. King), and a request to make. Yesterday at question time the Minister of Public Works asked that question No. 28, standing in my name, should stand as an order for return. The motion carried while I was temporarily out of the chamber, and I wish now to ask him why a short, concise answer should not be given to this question forthwith. If it is desired to supplement the information, that could be done at a later date. I want to protest against the motion which was passed—

Some hon. MEMBERS: Order.

Mr. SPEAKER: I think I have already explained to the House that the Speaker, by Rule 37, subsection 3, and the minister, by section 4 of the same rule, may ask that a question be answered in the form of a return. Here is the rule:

> If a question is of such a nature that in the opinion of the minister who is to furnish the reply, such reply should be in the form of a return, and the minister states that he has no objection to laying such return upon the Table of the House, his statement shall, unless otherwise ordered by the House, be deemed an order of the House to that effect and the same shall be entered in the Votes and Proceedings as such.

BUSINESS OF THE HOUSE

ERROR IN ORDERS—PROCEDURE AS TO DISCUSSION OF MOTION CONCERNING TREATY WITH UNITED STATES.

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, I do not understand the order paper to-day; it is most misleading. On page 3—

Mr. SPEAKER: Perhaps out of courtesy to the right hon. gentleman and the House I may say that a mistake has been made by the printer in inserting the first item under "Government Notices of Motions;" it should have gone to another page under a different heading. The French edition is correct.

Mr. MEIGHEN: It has misled hon. members on this side; it was the impression that with that kind of heading under Government Notices of Motions, the Prime Minister's motion regarding the treaty on alcoholic beverages would go into committee upon carrying. While I remember quite well that in the case of previous motions there was no committee, it would seem to me most appropriate that there should be. When a motion comes before the House of the significance of this motion, with no facility for general discussion, no privilege of question or of ascertaining the full effect of the proposal—for example, for the pressing of such questions as the hon. member for St. John (Mr Baxter) was prevented from putting—it does
4 p.m. not do justice to the hon. members of the House or to the subject itself. I do not know that there is any method now of getting the resolution into committee. I would suggest that under the circumstances the government agree either that we go into committee upon the resolution or that the debate be adjourned until Monday, when we can take it up and conclude it. I am sure there are questions which hon. members desire to put and which in justice to the subject should be put and answered.

Mr. MACKENZIE KING: I think that the procedure has been entirely regular, and that it is also in accordance with precedents followed by governments with which my right hon. friend has been connected. I have no desire to shut off any discussion. No doubt the questions which have been asked to-day may be asked on some other occasion in reference to some other matter. In fact, I think I have fully answered all questions that have been put. If there are other questions that hon. members desire to ask on the Orders of the Day, I shall be prepared to answer them.

Mr. MEIGHEN: I am not disputing the regularity of the proceedings at all, but I was disputing the regularity of the order paper, which misled us. From the present form of the order paper one might readily conclude that we would go into committee.

Mr. MACKENZIE KING: No.

Mr. MEIGHEN: Well, here is the way it reads—I know it is a mix-up, but it could quite readily lead to a wrong conclusion:

February 28—The Minister of Marine and Fisheries —In Committee of the Whole—the following proposed resolution:—

March 6—The Prime Minister—That it be resolved..

Mr. MACKENZIE KING: I submit that I am not the Minister of Marine and Fisheries.

Mr. MEIGHEN: I know that, but the Prime Minister sees very readily that the resolution immediately following was his own. It is a mix-up; it is a misprint; it is entirely wrong, and I am not attributing the fault to the government; but it is quite clear that the House could very readily be misled.

Mr. GAUVREAU: The French version is all right; why do you not go by it? You speak French.

Mr. MEIGHEN: I could read it, I think, but I cannot read both at once. My suggestion is that the debate be considered postponed until Monday. I do not see why that cannot be done, but if not, then let it be resumed this evening so that we may proceed with the discussion.

Mr. MACKENZIE KING: I have no desire to do other than meet the wishes of hon. members. My right hon. friend usually reads with a great deal of care whatever is put before him. If the House is agreeable to it, I have no objection to resuming the debate now, and concluding it, but I do object to going on either to-night or on Monday. If it can be made regular to reopen the discussion at the moment, I am quite willing that that be done; otherwise I think the record should stand as it is.

Mr. SPEAKER: As stated a moment ago by the right hon. leader of the opposition, the resolution is regularly where it should be though there is a misprint immediately before it. I felt myself during the debate a moment ago that the question was of such importance that I should relax the rule and let hon. members speak once, twice and even thrice as if it were in committee of the whole. The resolution was carried by the House and so declared, but of course the

House can always reverse its decision and order the Speaker not to consider the resolution as carried. I might perhaps remind hon. gentlemen that this resolution will come back to the House from the Senate, so there will be another opportunity to discuss it. It must be concurred in by the Senate. That is why the resolution is couched in the form in which it is: "That it be resolved by the .....House of Commons."

Mr. MEIGHEN: I am quite agreeable to that if on its return from the Senate the matter can again be debated by this House.

Mr. SPEAKER: If it is amended, in concurrence.

Mr. MEIGHEN: If the Prime Minister will agree that we may debate this matter again when it comes from the Senate I am satisfied.

Mr. MACKENZIE KING: I think it can be so arranged that we may continue the discussion now. So far as the government is concerned I am quite prepared to do that.

Mr. BELAND: The next speaker.

Mr. BAXTER: There seems to have been some misunderstanding—

Mr. McMASTER: I rise to a point of order. It would appear to me that this resolution has been carried and cannot be returned to without the unanimous consent of the House. It seems to me that a good deal of time is being, I would not like to say wasted, but inadequately distributed.

Mr. SPEAKER: Is it the pleasure of the House that the said resolution be reinstated and be considered as not carried?

Some hon. MEMBERS: No.

Some hon. MEMBERS: Carried.

Mr. SPEAKER: I declare the resolution carried.

BANFF PARK WATER-POWER

On the Orders of the Day:

Mr. JOS. T. SHAW (West Calgary): I should like to ask the Minister of the Interior if an application has been received from the provincial government of Alberta seeking water-power privileges in the Spray lakes area of the Banff National park, and if so what is the attitude of the government toward that application?

Hon. CHARLES STEWART (Minister of the Interior): The Alberta government have made application, but they asked that they be given an opportunity to make examination before finally deciding whether they wished to proceed on that application, and that has been granted.

CANADIAN NATIONAL RAILWAYS —ST. JOHN, N.B.

On the Orders of the Day:

Hon. J. B. M. BAXTER (St. John City): I do not wish to complain too bitterly with regard to an answer given to a question of mine on Wednesday last; the answers generally, I think, are as fair as may be expected. The incompleteness of the answer to a number of questions is rather due to what I might call the official view which, perhaps, is not sufficiently impressed with the importance, as it may seem to other people, of the subjects dealt with in the question which I put some days ago. I asked this question—No. 31:

Is the Department of Railways and Canals aware that the Canadian National Railways recently issued a map, showing the rails of that road from Halifax, Sydney and Yarmouth to Prince Rupert and Vancouver, and also to Portland, Maine, and to New London, Connecticut?

Is it true that the said map also shows Edmundston and Campbellton as connected with the Canadian National Railways?

Why is not St. John shown on map as connected with the rails of the Canadian National Railways?

How many copies of said map have been issued, at what cost and how have they been and how are they being distributed?

Why does said map not show the Canadian National Railways rails as extending from Moncton to St. John?

Why is not St. John even shown on the map?

To whose neglect or ignorance is this omission attributable?

As an answer I did not, like my hon. friend from York-Sunbury (Mr. Hanson), get a return thrown upon me; I only got this rather skeletonized answer:

Map referred to was small skeleton map—

Undoubtedly it was a skeleton, and some of the bones must have been left out.

—approximately 3 x 5 inches, prepared by one of the constituent companies prior to amalgamation of Canadian National System—

I would have been obliged if I had been told which one of the constituent companies had done this preparation and when.

—and used on inside cover of small publication entitled "Montreal—Canada," issued somewhat over a year ago by passenger traffic department.

I presume, of the Canadian National Railway system and not of a constituent company, although I do not know.

On this skeleton map St. John was unfortunately omitted. The oversight was unintentional but none

the less regrettable. The booklet in question is now out of circulation. The management has been in correspondence with the St. John board of trade regarding the matter and steps will be taken to see that such oversight does not occur again.

Now, it may not be of great importance to the country but I want to know how many copies have been issued, I want to know what this blunder cost, and to whose neglect or ignorance the omission was most attributable. and I really submit that fairly I ought to be given that information. I am not making this as a direct or indirect attack on the minister in charge of this department, I do not suppose he ever saw this answer. But it does seem to me that this represents a sort of official view which says "Oh well, there was a little blunder made there, but we are not going to tell you anything more about it than we have to." I think that in justice to the people affected, a blunder of this character is entitled to be answered slightly more fully than has been done. I would therefore ask that the question be restored to the order paper so that it may be answered properly.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I submit that the question is answered pretty fully. If anything vital has been omitted we will be able to furnish it to my hon. friend without restoring the question to the order paper. If I had asked the question myself I should feel that I had been more than answered.

PULPWOOD COMMISSION

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I want to ask the government if they are aware that some members of the Canadian Royal Pulpwood Commission are reported to have gone to Washington, and if so, what they have gone there for?

Hon. J. A. ROBB (Minister of Trade and Commerce): I have not heard of it.

Mr. MEIGHEN: Would my hon. friend make inquiry and find out, and advise us as to the purpose of the visit?

Mr. ROBB: I will but I do not admit they have gone to Washington.

Mr. MEIGHEN: If they have—?

Mr. ROBB: I will find out.

SUPPLY

PUBLIC WORKS

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

Public Works—Chargeable to Capital

Public Buildings—	
Ottawa Parliament Building..	$ 600,000
Ottawa, addition to Dominion Archives Building..	275,000
London, England, Canadian office..	1,300,000
	$ 2,175,000

Hon. J. H. KING (Kootenay) (Minister of Public Works): I might advise the committee that the information requested last night has not yet been received. I will be glad to furnish it as soon as I can obtain it. I gave a general statement of the proposal last night.

Mr. STEVENS: Is the hon. minister asking to have it stand?

Mr. KING (Kootenay): I think there will be further discussion on the item.

Mr. STEVENS: Certain information is asked for, and I understand the minister to say it is not yet ready.

Mr. KING: No.

Mr. STEVENS: I presume the item will stand until that information is brought down.

Mr. MACKENZIE KING: Would the hon. member have any objection to our going on with other items of Public Works this afternoon, on the understanding, of course, that our taking up estimates to-day will not preclude him from taking advantage of the rule which prevents our going into supply, except under certain conditions.

Mr. MEIGHEN: I do not wish to see the time of the House wasted, and on condition that the government calls Public Works estimates on Monday, Tuesday and Wednesday, I am ready to agree. I hope the government will forgive me if I recall that a similar request courteously made was indignantly refused two years ago.

Mr. MACKENZIE KING: I do not recall the occasion, but since my hon. friend has been so courteous this afternoon, I will concur in his request.

Mr. GRAHAM: It was done in my absence.

Item stands.

Ottawa Parliament Building.. .. ..$600,000

Mr. KING (Kootenay): The vote asked for is $600,000—a revote of $320,000. This vote is for the completion of the tower, the memorial chamber, and some electric light equipment and fixtures. This should complete the tower as far as the external appearance is concerned. It will also install the electrical

equipment and elevators, make provision for the clock, and also make electrical provision for the chimes which it is proposed to put in later.

Mr. McMASTER: I would make the suggestion to the government that they defer the building of the tower until we make our financial books balance. The tower does very well as it is for the time being, and I think the fact that it was left in an incomplete condition, abiding the balancing of the budget, would be a constant object lesson as to the desirability of that performance, and might be an object lesson to the whole country, in helping everyone to devote their energies to that end.

Mr. KING (Kootenay): The government considered the advisability of not continuing it just now, but we found we had a contract with the contractors who have large equipment on the ground, which has been retained here from 1916 to the present time, and we feel it is better to proceed and complete the external portion of the tower this year, rather than have that equipment go away, to be brought back at a later day.

Mr. McMASTER: Has the government looked into the question whether saving would be effected by doing the work now rather than three or four years from now, when the country's financial position might be better?

Mr. KING (Kootenay): I think it would cost more in the end.

Mr. McMASTER: It is pretty hard to figure, we cannot tell.

Mr. GARLAND (Bow River): Will the minister inform the House whether the government will pay for the removal of the contractor's buildings or not? If it is the contractor's loss and not the loss of the government, we had better leave that matter for the contractor.

Mr. KING (Kootenay): No, I think not. These buildings were erected when the work was first started for the erection of the parliament buildings; the stonecutting, plant and machinery were brought here under an arrangement with the contractor. That machinery is here now, and if it is removed a new contract would have to be entered into and new machinery placed on the ground. We have considered it very carefully, and I think it is wisdom to complete the masonry and get it finished now. The architect also has a commission to go on.

Mr. WALLACE: Does this vote cover the external construction?

[Mr. J. H. King.]

Mr. KING (Kootenay): No, I will give you the estimate for the external construction. It is as follows:

Masonry as per bill of quantities, Memorial Chamber	$ 81,820
Main Tower	293,808
Elevators: push button elevator and tower elevator not including moneys already paid on tower elevator	15,000
Electric wiring: interior wiring for lighting, power; clocks, illuminating four clock dials, beacon light, wiring for chimes, flood lighting projectors only, wiring for flood lighting; four lamp standards for above lighting fixtures in tower reflectors to illuminate window openings	28,950
Roofing: Flexicrete rolls—24 oz. copper roof, moulded cresting dormer windows—slate louvres, etc	16,500
Ornamental iron: elevator enclosures spiral and straight stairs, ladders in tower—flag pole	7,640

In addition to that it is proposed to spend some money within the building. The following are some of the items:

Carpentry and doors to Commons and Senate chambers	$ 9,000
Stone carving and modelling for interior	10,000
Electrical work, Library	8,000
Painting and decorating	4,000
Special lighting fixtures	50,000

We have been rather moving very slowly in the matter of these fixtures. Most of the fixtures in the hallways, as hon. members will notice, are temporary in nature and we have not gone as yet to any large expenditures. I notice in the estimate for the expenditure of $600,000 there is an amount of $50,000 for special lighting fixtures, and one of $10,000 for wrought iron work. Those are the principal items.

Mr. GUTHRIE: How much higher is the tower to go? What will be the total height of it when completed?

Mr. KING (Kootenay): I have not that in mind. I will give it to my hon. friend a little later on the estimates.

Mr. GUTHRIE: I agree that the tower should be completed. I do not like the outside appearance of the building with an uncompleted tower. There is no doubt some force in the reasons advanced by the minister for going ahead with the tower at the present time; but at the same time the hon. member for Brome (Mr. McMaster) has urged a question which we should likewise consider, whether or not at this time we feel that we have money enough to expend $600,000 this year in a work of this kind. We would all like to see the building and the tower also completed. I would put that almost foremost amongst public works in the country; but if the condition is such that we are called upon to hesitate in regard to com-

pleting this tower, we should well consider another part of this item, No. 139, which is now before the committee, namely the expenditure of one and a quarter million dollars or more for a building in London. I have a very strong opinion that the acquisition of the building in London described by the minister last night might well wait a year, or two years, or even five years. If there is to be any postponement for purposes of economy, that is the item that should be postponed rather than the tower, although at the same time good reasons might be shown why the tower also could wait for one, two or perhaps three years. I should, however, like to see the tower completed within some reasonable time.

Mr. STEVENS: I should like to bring this to the minister's attention in supporting, in a measure, what my hon. friend has just said. Let us grant for the moment the desirability of completing the tower as regards external appearances. I hurriedly took down a few items, not all by any means, which the minister mentioned of what might be called more or less luxuries in connection with the tower. Someone suggests the term "frills." I do not want to cast any aspersions upon this splendid building, but certain things are not altogether necessary, for instance, reflector lights for windows, $27,000. I appreciate that it is very nice to have these windows beautifully illuminated, but at present $27,000 seems to me a large sum to expend on that particular class of work. There is an item of $16,000 for copper roofing. That is, I take it, merely for the tower. Perhaps that might be necessary if the tower were gone on with, although a less expensive roofing might do for the time being. I do not, however, press that point. Then there is an item for elevators in the tower. I know it is going to be very nice in years to come to provide an elevator in the tower for tourists and sightseers to go up this splendid tower and to have the view. I believe about $30,000 is put in for that purpose. That is an item that could very well stand. We have an item for electric light fixtures through the building. I think hon. members will agree that we are pretty well satisfied for the time being with the light fixtures through this building.

Mr. CARROLL: What does my hon. friend mean by "for the time being"?

Mr. STEVENS: Perhaps for the next five years. At least let the existing fixtures wear out their life of usefulness. It will be necessary, in any case, before very long to replace a certain portion of them. If they are more or less temporary, they certainly are not very objectionable to the eye; they are not offensive to anyone. Let them remain as they are for a while so that we shall get the full value of their temporary nature, and then put in your permanent fixtures. For that I think $50,000 is put in, a very large sum. There is an item for certain fancy grill work, $10,000. That might very properly be left for a few years. We have been putting up this building for about eight years; the government has brought the building to a fairly good stage of completion and I think there is quite a bit of national pride in the building, which pride I believe, is justified. I have mentioned items —and I have missed some—totalling about $140,000 that might very well stand over for one, two, three, four or five years. Perhaps no particular harm would be done if these items stood over for four or five years. A moment ago the minister mentioned some equipment and I presume he referred to the equipment in a building next to the Connaught building. I am not aware of the exact conditions of the contract; but if I recall it correctly, it is a cost plus contract. If we do not go on with the work, we do not pay for it. If the work stands, there is no outlay, no demurrage, no penalty on the government for delay. I do not think the contractors would lose or suffer anything or be unjustly dealt with if nothing were proceeded with. I will not, however, press that point. The hon. member for Brome (Mr. McMaster) has brought it forward, I think, properly, and it is desirable that it should be considered. Assuming, however, that we go on with the tower, would it not be quite sufficient to finish the substantial portion of it, that is the stone work and the brick lining—the masonry—without finishing the fancy work in the interior—elevators, electric light fixtures, grill work and so forth? I would suggest that the minister review the estimate and delete from it those extras, at least, and ask the House for simply a sum necessary to complete the tower as regards external appearance. There are some other suggestions I wish to make regarding the other items before the whole resolution passes, but I should like to have the minister's opinion on this point first.

Mr. KING (Kootenay): The advisability of going on with the tower was given careful consideration, and after the whole situation was reviewed, it was concluded that it would be better for us to continue the work and complete the tower. As regards the electric wiring, anyone accustomed to building knows that that class of work should go on during the time

of construction. It can be properly done then. As regards the elevators, the government has already made a large expenditure on elevators, and this is an additional sum. As to lighting the tower, I do not think anyone would say that we should refrain from expending a certain sum of money which must be expended if we do not want the tower to remain dark. If we put up the tower, it should surely have a light, and the clocks, when they are put in, should be properly lighted. These things are all necessary; they can be better done now than at a later period, and I think we should go on with them. I am not very particular about the carving and electric fixtures in the building; but we have a very fine building with fine corridors, and many people from all parts of the world visit this parliament the year round. It is quite proper that in such a place of interest, a building the beauty of which people visit the Capital to admire, we should have things as nearly as possible in perfect harmony. We have succeeded in cutting this estimate down quite appreciably and I can assure the House that it is not the intention of the government to enter upon extravagant expenditures; but as regards these fixtures I think it is only right that from time to time we should get them installed until gradually we have the whole building completed.

Mr. CARROLL: Does the estimate provide this year for all electrical fixtures?

Mr. KING (Kootenay): No.

Mr. McMASTER: I dislike wearying the House with my economic notions, but there are a few words which I desire to say in addition to the plea that I have made that this unnecessary work be not proceeded with. First of all, it is absolutely unnecessary. There is no more reason for proceeding with the work this year than there was last year, and we were able to discharge our legislative duties perfectly and in comfort then without this tower. I want to submit these reasons in the hope that the government will be brought to see the matter in the same light as I do. We have a demand from the taxpayers of the country, from the Atlantic to the Pacific, that economy shall be the first order of the day. The government—and I give them credit for it—have courageously started cutting down; they have cut down the Civil Service in Ottawa. Under these circumstances I would ask them to consider the feelings of some poor man who has lost his position in the Civil Service, who is unable to find other employment and is walking the streets of Ottawa, and who would see this tower being erected knowing that it is a work that is absolutely unnecessary, however beautiful it may be. So far as the embellishment of the building is concerned, I think the whole structure is beautiful as it stands, and if it is to be embellished it must receive the very best works of art. These works of art will be acquired as the years go by, and we ought to see to it that they are the very best that can be obtained. If we get such works, we shall of course have to pay for them accordingly. While the minister was speaking, and particularly when he stated that one expenditure must inevitably lead to another, I could not help thinking of the young couple who were almost ruined because, at the time of their marriage, some rich relation gave them a beautiful mantel clock. A rug had to be bought to be in keeping with the clock, something else had to be obtained to be in keeping with the rug, and so on, until finally they had the whole house furnished on a scale very much higher than they could afford. I really believe that the government would be meeting the views not only of the vast majority of the members of this House but of the vast majority of the taxpayers if they would abandon the idea of putting up the tower to the height originally intended. After all, it is not as if the building were an ugly one as it stands. I would remind the minister of that beautiful building in Paris, Notre Dame cathedral, on which there are two short towers; it is a question among architects whether it was intended to have them built higher or not. The tower on this building undoubtedly is not as beautiful now as it will be when completed, but it is not by any means unsightly; and I cannot imagine many works which would so cast discredit upon the bona fides of the government and their attempt to economise as the continuance of this unnecessary work.

Mr. CARROLL: I remember that some years ago criticism was levelled at the then Conservative government for the extravagance with which it was charged in connection with the problem of putting up this new parliament building. I am glad to be able to say that I was one of those who did not criticise the government of that day for the building they proposed erecting on Parliament Hill, and to-day I shall be amongst those who will have no criticism whatever to offer if the present government endeavour in every legitimate way to make this building

a citadel worthy of the Canadian people. I am surprised that a gentleman of the robust Canadianism of the hon. member for Brome (Mr. McMaster) should criticise the government at this stage for attempting to place on Parliament Hill such a building as we ought to have here. My hon. friend declares that it would be extravagant to continue this work, and he says that the government should stand for stringent economy. He tells us that in five years' time we might proceed with the work.

Mr. McMASTER: I did not mention any specific date.

Mr. CARROLL: The hon. member did not, that is right; but some other hon gentleman on the other side made the suggestion. Well, I think that in five years' time it will be just as extravagant as it is now to complete the building, and perhaps more so.

Mr. MEIGHEN: There might be a more economical government in power then.

Mr. CARROLL: I daresay when the Progressives get into power we shall have a more economical government than we have had in either of the old parties.

Mr. CHAPLIN: Just as there was in Ontario.

Mr. CARROLL: At least that is what they tell us; and of course you cannot challenge the words of gentlemen in parliament. Now, what does the Minister of Public Works propose? He proposes to do exactly what the people of the country proposed in the first instance when Canada was in the throes of war. We were not afraid then to expend millions in erecting a building on Parliament Hill in which the representatives of the Canadian people should deliberate; and if we had no qualms about spending so much money on this building at a time when the fate of the British Empire was in the balance I do not see any reason for compunction now, when, as I think, there is some measure of confidence on the part of the people as to the future of the country. It is only fitting, I think, that we should have something better than the barn which my hon. friend from Brome would like to see us assemble in.

Some hon. MEMBERS: Oh, oh.

Mr. CARROLL: The mere fact that we may be comfortable should not be the only consideration. When parliament met in the Museum the hon. member was no doubt comfortable. But, as a sturdy Canadian, would he be satisfied to see a building on Parliament Hill of the kind which we had in London for so long? Would he have us meet in a building of the sort that has been a public disgrace to Canada for half a century? The hon. member for Centre Winnipeg (Mr. Woodsworth) spoke yesterday about Canadian nationhood. Well, if hon. gentlemen have aspirations in that direction let them see to it that we shall have a building in the capital city worthy of the Canadian nation. I know that we are passing through strenuous times, and there are various ways of retrenching; but from my point of view it would be a mistaken economy to retrench in the way suggested in this instance. Millions of United States citizens visit Washington to see the Capitol and the many other architectural features which go to make it the most beautiful city in the Union. And I, for one, Mr. Chairman, stand for making Ottawa the most beautiful city in the Dominion.

Mr. FORKE: Mr. Chairman, I quite agree with some of the remarks made by the hon. member for Brome (Mr. McMaster) in regard to economy. With respect to what the last speaker (Mr. Carroll) has said, I doubt if a sense of the practical nature of things always lessens appreciation of the beautiful. I am sure there is many a farmer working between the handles of a plow who enjoys the beauties of the sunset just as thoroughly as some artists who pride themselves on their artistic perception. I admire this building, but I would inform hon. members that in Winnipeg, there is a legislative building of still greater architectural beauty. The members recline on cushioned chairs in the utmost comfort, while the time of the legislature is wasted by lengthy speeches. But there are not many people in the province of Manitoba who to-day feel very well satisfied with that building.

Mr. CALDWELL: It was not built by the Farmer government, either.

Mr. MEIGHEN: Three-quarters.

Mr. FORKE: No, the Norris government was not responsible. My right hon. friend knows that very well.

Mr. MEIGHEN: It was responsible for about three-quarters of the building.

Mr. FORKE: They were very much in the same position as this government—they had to complete what had already been undertaken by a former government. I do not think we can find fault with the appearance of this building, but we shall be in a better position to deal with the vote after we have received

some further information from the Minister of Public Works (Mr. King). For instance, which would be the more economical course,—to leave the building as it is for a few years or to complete it at once? If I understand correctly, the architect is under a contract to finish the tower, and the contractor is under a somewhat similar obligation. The tower is a very important part of this structure, and it is something that the architect should be held responsible for the completion of. For example, the addition of the final third to its height might develop some latent weakness in the foundations, and therefore it is important that the man who designed the tower should be the man to finish it. Will he be available five years hence? The contractor has a large plant in the city, and I understand the government are paying him a certain sum to hold it here for future use.

Mr. KING (Kootenay): No.

Mr. FORKE: If the machinery is removed and the architect not available five years from now, can the work be done as economically as if it were undertaken to-day? I should like some more information from the minister in this connection before I commit myself, because I sympathize with what was said by my hon. friend from Brome. At the same time I want to be practical, I want to know whether it would be a waste of money to defer completion for four or five years. I agree with him that there is nothing unsightly about this building. While the addition of the upper part of the tower might result in greater symmetry the structure is one of which we are all proud. I would rather that we did not spend any more money at the present time, but if I am convinced that it would not be economical to postpone completion for five years, I would say, "Go on and do at least what must be done now, but leave undone anything the postponement of which would not hurt in the long run." I do not know whether the minister can give us any more information that will help us in arriving at a decision on this point.

Mr. KING (Kootenay): As I stated before, the government canvassed the situation very carefully, and, as is evident to all hon. members, we have been trying to economize wherever possible. Our technical advisers tell us that it will be more economical to finish the tower now and do the other work I have outlined. We have an arrangement with the architects to complete the designs for the tower. We have also an undertaking with the contractors in regard to their plant now on the ground; it is in these terms:

[Mr. Forke.]

They to furnish the necessary plant for the purpose of such erection without further compensation, provided the plant is held for this work not longer than December 31, 1924. Should it be held later than that date, the contractors are to receive compensation for the use thereof.

We might cut the estimate now, but in the end I think it will cost us more to complete the work, and certainly the delay will not help the building. I am of opinion that we should proceed and complete the external appearance at least and the electrical wiring, which is part of the early construction and should be installed.

Mr. CLARK: What is the value of the plant?

Mr. KING (Kootenay): The contractors' estimate is $80,000.

Mr. CLARK: Is that for the whole building?

Mr. KING (Kootenay): I understand that is the value of the portion of the plant required to complete this part of the building. A portion of the original plant has been removed.

Mr. CLARK: I suppose it is also a portion of the original plant used in the construction of the main building?

Mr. KING (Kootenay): Yes.

Mr. BOYS: Is there any liability to the contractors or architects under the present contract? I understand the contract requires that the machinery shall remain until the 31st December of this year. Supposing the work is not proceeded with are the contractors entitled to anything? Because, if so, that might be a reason for going on with the work now. I notice about the building many smooth face stones; are these to be cut?

Mr. KING (Kootenay): Only a comparatively small portion.

Mr. BOYS: What is the liability?

Mr KING (Kootenay): They have arranged to keep the plant on the ground up to the 31st December next. More as to any liability I could not say.

Mr. CLARK: Last year the amount of the vote under this head was $700,000, and this year's appropriation is a revote of $320,000. Can the minister tell us what was done with the $380,000 that was spent last year?

Mr. KING (Kootenay): Expenditure for 1923-24: Pay list and services, $59,036.25; materials, $9,526.18; furniture and fittings, $13,200.28; paid to contractors in settlement

of claim, $253,217.79; coal, $1,497.61; freight on stone from battlefields, $10,378.26; memorial to late Colonel Baker, $9,974.08; sundries, $11,549.31; total $368,379.76.

Mr. CLARK: One would be led by the estimates to believe that the money had been spent on the construction of this building. What was the nature of the claim settled by the government in the amount of $253,000 odd?

Mr. KING (Kootenay): That was by way of commission paid to the contractors. In the original contract there was a limitation as to the fee to be paid to the contractors as a percentage and also the fee on the total amount. In the case of the architect, after the expenditure had exceeded $5,000,000 —the limit which had been placed—and was growing larger, the Parliamentary committee in charge of the construction of the building reviewed the situation and made further payments in addition to those due on the $5,000,000 expenditure. In 1921 the architect was demanding more money from the committee, and on the defeat of the late government he resigned, or walked off the job, saying that he could not continue unless he was paid more money. A committee of this House, not appointed by the House but consisting of representative members, conferred with the Minister of Public Works and with the technical officers; the whole situation was reviewed; and it was decided that owing to the alteration in the plans, the extra cost of construction, the changes that followed rapidly after 1916-17, these people were entitled to a reasonable fee. Accordingly a settlement was made and they were paid. The amount of $253,000 was a payment of extra commission earned by the Lyall contracting firm.

Mr. ARTHURS: What about the architect?

Mr. KING (Kootenay): The architect was not paid out of this amount. He was paid out of the 1922-3 appropriation.

Mr. MARCIL (Bonaventure): What has been the total expenditure on this building up to date, and what was the original estimate?

Mr. KING (Kootenay): The total cost to date has been about $11,000,000. The original estimate was $5,000,000.

Mr. CALDWELL: Were plans submitted on which that estimate was based, and if so who was responsible for the changing of the plans to provide for a building that would cost $11,000,000 instead of $5,000,000?

Mr. KING (Kootenay): The architect submitted sketch plans to the minister and to the committee and gave his estimate, I believe, as to the cost. It was supposed that there would be a limitation of $5,000,000 upon which the fees of the architect should be applied, but the architect refused to sign the contract as regards the limitation of fees, and he was allowed to continue and did continue with the construction without a signed contract as to the limitation.

Mr. CALDWELL: Was there not a signed contract as to the amount of his fees?

Mr. KING (Kootenay): Yes, the amount of his fees was agreed upon but not signed for in the contract. When we dealt with this matter last year a substantial reduction was made in respect of the amount upon which the architect was to be paid fees; I think $1,600,000 odd was deducted. The total commission paid to the architect, on the estimate we had last year when the settlement was made, was between four and five per cent, which, all will understand, is a very low commission for work of this character. The contractors' commissions were on a different basis. For the first $4,000,000 they were paid eight per cent and on the other $1,000,000 they were paid seven per cent. In our settlement with them we made a substantial reduction from the total cost and paid them seven per cent on the balance.

5 p.m.

Mr. MEIGHEN: The minister did not give the full terms of the contract. Did the commission not extend to a certain maximum, and not beyond?

Mr. KING (Kootenay): I have said that.

Mr. MEIGHEN: I did not hear the minister say it.

Mr. KING (Kootenay): I said the architect refused to sign the contract as to that limitation, but was allowed to continue as architect and to construct these buildings.

Mr. ARTHURS: Will the minister say whether the contractors are satisfied with this payment of $203,000, and whether that relieves the government of all responsibility up to the present date?

Mr. KING (Kootenay): They have released all claims.

Mr. BOYS: I have a recollection that when this item was before the House last year I supported the completion of the tower. It seems to me that when it comes to the question of completing a building like this, in which we have eleven million dollars or more invested, it would be a most unfortunate thing that it

should remain an eyesore for five or six more years when the completion of the building now would add very greatly to its appearance. While I say that, I do not want for a moment to be taken as supporting many of the items which appear in this item of $600,000; for some are of such a character they may well stand. At the same time in constructing a tower such as this it goes without saying that other works such as the installation of elevators, putting in conduits for wiring, and so on, to be done economically must be done at this time. Then there is the further point: If the country is to be liable to the contractor or the architect if the work is not proceeded with this year that is perhaps a further reason why the tower should be completed. I presume if the machinery is taken away now it will cost more to bring it back again and complete the structure at a later period. Therefore I want, so far as I have anything to say, to support the exterior completion of the tower, and the completion of all parts of the structure which are more or less essential such as the wiring and so on, having in mind the promotion of economy. I should like very much if the minister could give us an idea of what portion of the $600,000 would be required for the external completion of the tower, and all such portions which should be finished while the external part is under construction.

Mr. KENNEDY (Edmonton): Is it estimated that this $600,000 will actually complete the tower?

Mr. KING (Kootenay): It will not require $600,000 for the completion of the tower alone. The estimated cost is: Memorial chamber $81,820, and the tower itself $293,808. Then there is the roofing which I think is essential.

Mr. BOYS: The roofing of the tower?

Mr. KING (Kootenay): Yes. In this connection there is the copper roof, dormer windows, slate louvres, and so on. I think that will have to be done. Then there are the elevator, enclosures, spiral and straight stairs, and door leading into the tower. These are essential if the work is to be properly attended to. After the tower is completed elevators are necessary. You have nothing to gain by not putting them in when you are at it. The electric wiring, I think, is also essential. This will bring the total to $383,898 for the tower. Adding the other items to which I have referred will bring the amount up to $465,718. As to the height of the tower the present height is 152 feet, and there will be an addition of 128 feet making the total height 280 feet.

[Mr. Boys.]

Mr. GARLAND (Bow River): The necessity for going on with this work at the present time, having regard to the need for greater economy, has hardly been proven. Three attempts have been made to secure from the minister some definite statement as to the directions in which economy can be effected but without result. Neither he nor any other member of the House can definitely state that it would be more economical to build now than five years hence. We have in power a government that is pledged to economy. If it is going to reduce the cost of living in the country, possibly it may be more economical to complete this work five years from now than at present. I am delighted to support the position taken by the hon. member for Brome; I think he is on solid ground. With all due respect to my hon. friend (Mr. Boys) I do not think this building in its present state is an eyesore. I think it is a magnificent structure and possibly will be even more magnificent when completed. But at the present time, when the government is discharging many hundreds of civil servants, as one hon. gentleman has pointed out, it is going to be a greater eyesore to these people to see this building completed than to leave it uncompleted. I intend to vote against the item.

Mr. MacLAREN: I have listened carefully to the discussion and I do not find that a case has been made out to warrant the completion of the tower just now. I do not see that there is any urgency for the completion, or that anything will be lost by waiting. It does not seem to me to be an eyesore. While there will of course be an improvement when the building is completed, conditions are not such as to justify us in proceeding with the work at the present time. When one considers the great buildings of the world there is nothing commoner than to find that years and years are occupied in their completion. It is the commonest experience in connection with the great cathedrals of Europe that the towers are not finished until long periods have passed. The precedents of the past are all in favour of taking adequate time to complete a building of this character. I hope the minister will allow this matter to stand for further consideration.

Mr. McBRIDE: As I view this question I think it is about time Canada took a step forward, and there is nothing that will give the country greater confidence than action on the part of the government in a matter like this. It is certainly time the government completed this tower; the uncompleted

state of the tower has been an eyesore ever since I came to parliament. I think the government is using good judgment in undertaking its completion; it is time the work was carried out.

Mr. MACKENZIE KING: One aspect of the question has not been mentioned, and that is that the tower is intended to be a memorial to the men who lost their lives in the Great War. There is to be placed in the tower a memorial chamber in which will be recorded the name of every man and woman who served overseas. I believe the architect has received from the government of Belgium and also from the French government, the stone which is to go into that chamber; it comes from the fields of Flanders. Other stone has been received, I understand, from the British government. The material has been brought to Canada, and the governments of these countries have been thanked for their gifts. It is understood this stone is to form part of this memorial. The architect, Mr. Pearson, who has the matter in hand, feels it is imperative that if this work is to be completed it should be done soon. Mr. Pearson, himself as the hon. member for Brandon (Mr. Forke) has intimated, is not a young man; he has given his life to this work; he is anxious to see it completed. The government has considered the question of economy most carefully. I think no one who has looked at the estimates which have been presented to parliament and which show a difference of over $46,000,000 contrasted with the total estimates for last year, will fail to realize that if there had been any other direction in which economy could have been practised the government would have followed it.

We have been trying to save all along the line. We talked with the architect and with the technical officers, as the Minister of Public Works has intimated. It was pointed out to us that these contracts were in existence, that keeping the materials stored, keeping the plant stored, and possibly having to reacquaint all the parties who were interested in the work of construction, would involve longer time and greater expense in the end. Consequently we thought it would be mistaken economy not to complete the tower, to say nothing of the memorial feature which I have just mentioned and which the government regards as an important one.

There have been suggestions about placing in the tower a carillon of bells. Anything of that sort which it seemed possible to postpone we have postponed. Putting in an elevator has been mentioned this afternoon as something which was not necessary during the process of construction, and that it could be put in at any time. The reason this work appears to be necessary is that if it is not done while the work of construction is in process, some part of the work will have to be torn down when such things are put in later on. We have an obligation to the future as well as to the present, and I submit, as the hon. member for Yale-Cariboo (Mr. McBride) has just stated, that it is somewhat of a reflection upon the faith we have in the future of this Dominion, that all over this world the parliament buildings of Canada should be advertised as an incomplete structure. I think that national pride may be appropriately spoken of in this matter, and that the people of Canada would like to see their parliament buildings—so far at least as their external appearance is concerned—in the final form in which it is hoped they will be for centuries to come.

Mr. BRETHEN: With all due deference to the experience of the hon. minister who has just spoken, I think the greatest memorial we can offer the people is to make Canada a better place to live in. I believe this is a time for essentials. I believe the viewpoint of the people back home, or out in the country, should be considered. I do not believe that viewpoint is favourable to expenditure that is unnecessary at the present time. I think the finest example we can show this country is to begin the economy right here where it touches ourselves, and I believe the people outside will accept this as true economy. There are some things that are very good for the country, such as the deep waterways, but which are not always expedient. There are some things that may be good if we had the money, but are not very feasible at the present time, and I believe this is one of them. People outside of this House are not only doing away with extravagance, but are even passing up the essentials of life because of the necessity due to present conditions; and I believe this House would give a good lead to the country if it would postpone this matter, and I therefore move that this item of $600,000,, as far as it relates to the building of the tower, be struck out.

Mr. WARNER: As there is a motion slightly different from the original motion before the committee, I wish to speak to it. It is a little difficult to undertake to discuss all these things in one item. I am not well enough acquainted with the facts to discuss

the London building, or to say whether it should be there or should not be there; but I have some ideas with regard to the tower that are quite clear. I gather from what the minister (Mr. King, Kootenay) has said that there will be practically no deterioration if it is allowed to rest for a while before being completed. From the people who are corresponding with me I have had more urgent requests for economy than in regard to any other matter. I have not had one request from any community asking that money be expended in that community for any such purposes as the completion of this tower. There are to my knowledge a great many places where people are in sore need of the completion of railways, and that is a matter that would go a long way towards keeping people in our country, so that they might earn something to help build this tower. It is not my wish to make it hard for this government or any other government, but it is a matter of considering where it is best to put our money, because we have not enough to do all we want to do. And, that being the case, I will ask the government to seriously consider the matter before they go ahead with the completion of this tower. I have been asked to press for rural mail routes, and people are applying for mail service a long way from the railways and the centres. I have always been told that the government were not supplying mail routes, and could not do it because they did not have the funds. I hope I will be pardoned for bringing up such matters as this in comparison with the question of the completion of the tower, if it is a sin for me to do it. But the people in the West, in many new localities are pleading for economy, and the privilege of living and making a home in that country. We are spending money to bring people into the country, and we do not want these people to see people going away when they are coming in.

Mr. McGIVERIN: If this amendment carries it seems to me that it will be a case of false economy. We are all agreed that we should practise the greatest economy possible. We had an example of that fact the other day in the reduction made in the Civil Service bonus and in the reductions also made in the Civil Service. Both of these facts I deeply regret and will discuss them at their proper times. But notwithstanding that it seems to me that the postponement of the building of this tower is a serious mistake. Leaving this beautiful building in an unfinished state seems to show a lack of faith in the future of our country. It is all very well to go slowly but we have been going altogether too slowly in completing these buildings. For three years they have been in this uncompleted condition and it is time that the memorial chamber in the tower which will be considered as Canada's tribute to our war heroes should be completed.

To my mind the reasons given by the Minister of Public Works are sound, namely that there will be a considerable cost in depreciation to the tower and to the machinery but more particularly because the architect who planned the building should be the one to supervise the final work.

Mr. CLARK: The Prime Minister has advanced the only reason that I have heard given that would influence me to support this appropriation, namely, that it is in the nature of a memorial to those who gave their lives in the Great War. But, on reflection, I recall that the official memorial to those who fell is being erected in France and, I think, this year. Personally, I should like to have seen the main memorial erected in Canada. I have seen the plans for the memorial in France; they are magnificent; but if the main memorial had been erected in the vicinity of the parliament buildings, if we have room, and models of it were erected in positions in France and Belgium, that would have been much more appropriate from the point of view of the country. The idea of this tower being a memorial is splendid; I endorse it; but I draw to the attention of hon. members the fact that the Hall of Fame is likewise part of this memorial, and we have made a start. The sentiment exists; we look upon it as a memorial; I for one am quite content to wait, and I feel I voice the sentiments of the majority of the returned men in this country when I say that as regards the completion of this tower as a memorial, the returned men would be content to wait. The hon. member for Cariboo (Mr. McBride) remarked that it is time that this country showed some confidence and took hold and made a start. I likewise endorse that sentiment; I think it is time that we showed confidence in ourselves; but if this building is only a start, where are we going to end?—we have made a pretty fair start. The start that I suggest and that will create confidence in this country to a greater extent than any other start that we can make as members of this House, is to show the people of Canada that we are really sincere in our desire to retrench. The only way in which we can bring that home is to stop spending. A vital principle is involved in this vote in that it is the first

vote coming before this House, and the time is now ripe to put ourselves on record if we are really determined to carry out this policy of retrenchment. Furthermore, following the minister's reasons for completing the tower, I am afraid I cannot agree with the soundness of those reasons. He says that it is more economical to go on with the work now. The only reason advanced for that is the fact that some plant and equipment are tied up to the value of $80,000. I think if we wait we shall probably save $80,000 in years to come in cost of construction. Let us remember that that plant and equipment are the remainder of the plant and equipment used in the construction of the entire building, not specially brought here for the purpose of erecting the tower, and any depreciation of that will be infinitesimal as compared with the capital cost that the country is facing in completing the tower. Therefore, I do not think there is any force in that reason. That is the only liability the country is under to the contractor.

Mr. MARTELL: Who let the contract for this building?

Mr. CLARK: I do not care who let the contract for the building. I am not concerned with that. Do not think for one moment that I do not want to see this building completed. I am heart and soul with the idea of completing this building. All that I am suggesting is that there should be a temporary delay in spending any money that we are not absolutely compelled to spend. The reason was advanced that we have the architect with us now. I hope we shall have him with us in the future; but if unfortunately we do not have him with us in the future, we have his plans. His plans do not go with him, and any other architect can follow those plans. The contractors of to-morrow will, we hope, be better than the contractors of to-day, and we shall get just as much efficiency out of the contractors to-morrow in completing this tower as we shall to-day. Consequently, I do not think it is of vital importance that the contractors who are building this on a cost plus basis should be the contractors who will complete the tower.

I was very much interested in the remarks of the leader of the Progressive party (Mr. Forke), and I am interested in knowing where he stands on this and every other item of expenditure that comes before this House. Is he going to carry out this contract with the Prime Minister (Mr. Mackenzie King) and support every item that comes before the House, or is he going to carry out his pledge to the people of Canada to effect economy?

Mr. FORKE: I will make it plain how I am going to vote before the vote is taken.

Mr. CLARK: Two alternatives are open: First that any unnecessary expenditures should be eliminated this year; second to support the government because they have introduced this estimate. I hope and trust that the leader of the Progressive party is with the majority in this House, who whether they vote with the hon. member who moved this amendment or not, in their hearts I am sure are with him. We are therefore all very much interested in knowing where the leader of the Progressive party stands on the point.

Mr. GARLAND (Carleton): I have much pleasure in protesting against the amendment, for the simple reason that it will be false economy to leave this tower as it is at the present time. The appropriation is for $600,000. Of that, $320,000 was voted last year and not spent, so that, in other words, we are asking for only $280,000. I am a firm believer that any money that can be spent in this country in an economical way should be spent. It will give an impetus to our country by letting people know that we are advancing. Last night an item was brought up in connection with the colonial building in England to cost $1,250,000, and $750,000, for additions or repairs. When that item comes up again, I will voice my protest against spending that money, because all that we can do by spending that $2,000,000 is to save rent. We could spend that $2,000,000 in Ottawa and save rent, and it would give employment to our own workmen in Canada. I shall have much pleasure when the time comes in voting against the amendment.

Mr. CHEVRIER: I have great pleasure in associating myself with other hon. gentlemen in the House who have pleaded that the time has not come for false economy. This building in Ottawa does not belong to the city of Ottawa alone, and it is not purely and simply a parochial sentiment that causes me to rise at this moment, though I am very happy indeed, with my senior colleague, (Mr. McGiverin) to be fortunate enough to represent in this House the capital city of the Dominion. These parliament buildings symbolize the aspirations of the Canadian people, and all that is best in Canadian life, and I take it that hon. gentlemen who sit across the floor having been sent down here to represent the ideals of their constituents, must feel that they owe a duty to them and therefore to the Dominion at large to see that the construction of this monument wherein those ideals are to be given

expression to be completed. For some years the tower has remained unfinished. It has been my privilege to enter daily for two years the Hall of Fame and I have met there every day tourists from all parts of the world, who in no unmistakable terms have expressed their admiration of this beautiful building, but who could not refrain from observing that it is a pity, and indeed a shame, that an appropriate tower has not yet been completed to crown the building. During the summer, streams of water flowed through the front of the hall, and masons have been engaged in cleaning and cutting the stone to remove the marks that have been left by the water that has drained through the tower. No doubt at this moment the country feels the need of retrenchment more than it ever did before. But it seems to me that the Canadian people would have no objection whatever to the completion of this monumental building wherein the deliberations of this young nation take place. I do not think that anyone, be he in humble circumstances or be he affluent, will seriously object that the work be carried out to completion. My colleague and I have to meet the cry for economy, and very stringent reductions have been made, for instance, in the bonus. I do not agree with those reductions. Dismissals are taking place to-day, and with those I disagree. The time will come when I shall have an opportunity of expressing in this House my views on these subjects. But at the present time, although we all feel the pinch of economy—our own constituents do, and I think the same is true all over the Dominion—I also do think it is advisable that the tower be completed so that we may have a fitting building for the parliament of Canada to meet in, and one worthy of the ideals of this Dominion.

Mr. CALDWELL: I have endeavoured two or three times, Mr. Chairman, to catch your eye, but being small I am not easily discerned. I asked the minister some questions which he did not answer, one of them being, whether the estimate of five million dollars for the parliament buildings was based on plans that were completed at the time the contract was entered into.

Mr. KING (Kootenay): I said no; the plans were not completed; they were only sketch plans.

Mr. CALDWELL: Is it possible that the government of a country could enter into an arrangement for the erection of a building of this kind without a definite plan before them? If so, I do not wonder that the work has cost more than double the original estimate.

It is of course futile to lock the door after the horse is gone, but I think the method adopted in the letting of the contract for this building was absolutely wrong. The contract was let on a cost plus basis both to the architect and to the contractor. Obviously, therefore, their whole object was to make every part of the construction as costly as possible in relation to the amount of labour expended; and they reaped a larger reward by building extravagantly than they would otherwise have done. If they built a wall, say, that was worth only $1,000 and they spent $2,000 upon it, they doubled their reward. That is a principle that is entirely indefensible. Expert engineers, I understand, were employed to decide how much of the old walls might safely be retained, and if my memory serves me correctly they reported that there were walls that were safe and sound to the value of some $2,000,000. It might have been more than that, but I think I am safe in stating that figure. As hon. gentlemen know, a committee was appointed by the House to superintend the construction of the work; but I am safe in saying that that committee never functioned as a building committee, and the first thing they knew was that this $2,000,000 worth of walls had been torn down by the contractor without reference to themselves. The contractor got the cost plus for tearing down the $2,000,000 worth of walls although those walls had been declared to be fit for incorporation in the new building. And they also got cost plus for erecting the $2,000,000 worth of new walls that replaced what they had torn down. That made $4,000,000 that was expended at the outset, and they were only where they started at the commencement. There was 8 per cent paid to the contractor on that $4,000,000, for doing what he should never have done, and 4 per cent paid on the same sum to the architect.

Mr. KING (Kootenay): My hon. friend is wrong. He has given the $2,000,000 twice, but they were not paid $2,000,000 for pulling the wall down, but only on the cost of pulling it down.

Mr. CALDWELL: I accept the minister's correction; I was wrong in that regard. However, I should like to have the information as to what it did cost to pull the old walls down. Now, one of the reasons advanced for proceeding with the construction is consideration for the architect. If I remember rightly, about a year ago, or possibly before that, this same architect held up the completion of the building because the government would not accede to his

terms for what he had already done. I do not think, therefore that we need worry much about the architect and his feelings in the matter. If I am wrong in regard to any of these points I desire to be corrected as I go along. Another matter to which I would refer is the saving that would be derived from postponing the work. I think the minister should seriously consider accepting the amendment of the hon. member for East Peterborough (Mr. Brethen). Let me show what might be saved if the work were postponed. If we did not proceed with it we should save the $600,000 which would otherwise be spent; and there would be a saving of at least 5 per cent. in the way of interest on that money. Someone behind me suggests 6 per cent., but I am putting it conservatively because I do not want to convey any impression of exaggeration. At 5 per cent., that would mean a saving of $30,000 a year in interest; and if the completion of the tower were postponed for a period of five years we should have a total saving in that time of $150,000. As a matter of fact, it would be more than that, because in all probability we should have to raise the money to pay the interest the first years and the interest would therefore be compounded. Possibly in the five years the amount that might be saved would run to about $175,000. It has been stated that the plant to be retained here is worth $80,000. So if we had to replace it new at the end of five years we would still be $100,000 ahead. I do not think any member believes for a moment that the plant to erect a $400,000 structure would cost $80,000. I imagine all of the $80,000 worth of plant would not be needed in the completion of the tower, and I do not suppose such is contended for a moment. I think the minister stated that there were no plans prepared when construction was entered upon. I should like to know just what the undertaking was. Was an architect turned loose by the government of the day to proceed with the construction of a building, without receiving any instructions from parliament or the government as to its dimensions, architectural features and cost? Did somebody just make a random guess that such a building might be erected for $5,000,000?

Mr. KING (Kootenay): I might again review the early history of the construction of this building. In 1916 the old building was burned down. The government of the day decided on reconstruction and arrangements were entered into with Mr. Pearson and Mr. Marchand, two eminent Canadian architects, to submit plans to a joint committee of both Houses. Sketched plans were submitted showing the character of the building, with an estimate based thereon as to the total cost. They suggested that $5,000,000 would be the cost.

Mr. HALBERT: Were those the same plans which were used later on for the construction of a $5,000,000 building?

Mr. KING (Kootenay): I will come to that. The sketched plans originally submitted showed the type and character of the building at an estimated cost of $5,000,000. The plans and estimate were apparently accepted by the committee, and the work proceeded. From time to time changes were made in the plans, with the concurrence of the committee, indeed with the concurrence of parliament, because the vote for the building was discussed each and every year in this House, and as changes were made naturally they involved increased cost. In addition to that, it is not necessary for me to remind the committee, there was a gradual increase in building costs from 1916 onward, and this also accounted for a very considerable portion of the excess over and above the original estimate. I am rather surprised that those who are really anxious to practise economy now suggest that after we have expended some $11,000,000, we are to leave the building uncompleted for the sake of an additional $600,000.

Mr. McMASTER: No, we are only urging a postponement of the expenditure.

Mr. KING (Kootenay): You are going to delay completion of the job for five or six years. There is no occasion for this. Besides, every delay so far has cost the people of Canada very considerable sums of money.

Mr. McMASTER: Will the minister tell us in dollars and cents what it would cost approximately to postpone this work?

Mr. KING (Kootenay): It is impossible to furnish such an estimate; it would depend on conditions five years from now, and no one can tell what they will be then. I am informed by our technical advisers that it is better to proceed with the completion of the building now, and that each delay in the past has meant extravagance and increased expenditure. I am satisfied that if this building had been proceeded with right along without delay many thousands of dollars would have been saved to the country.

Mr. MEIGHEN: I want to express my gratitude and appreciation of the attitude of the minister in answering the aspersions of the hon. member for Victoria and Carleton (Mr. Caldwell). I have observed many a time that when a subject comes up as respects which

there is an attitude of fairness on the part of the Liberal party to the right of the chair, there always arise among those ultra-Grits to my left hon. members who cannot possibly lose an opportunity—which they only imagine exists—of casting some slur, arising wholly out of the basest and most ignorant of partisan prejudice, against the late administration in the construction of this magnificent building. What the minister says as to the plan adopted is precisely correct. The Public Works department could not possibly disrobe itself of responsibility with respect to the construction, but it did disrobe itself of every possible attribute that could be considered partisan, and parliament on the recommendation of the government placed in the hands of a committee of this House and the Senate, composed of members from both parties, all questions connected with the selection of architects, the adoption of plans. and the method of construction, whether on a cost plus basis or by contract. Everything connected with the undertaking was disposed of and decided by that committee, without any qualification, without any exception. All this I think has been known to ordinarily informed members of this House for many years.

It is true a difficulty arose, having to do with the question of whether a portion of the old building could be used or not. I remember that for some time the committee felt it would be an economy, and wise, to utilize a considerable portion of the old structure. But subsequently they decided otherwise. The wisdom of their decision time has vindicated, and more than vindicated, and I am sure hon. gentlemen by the score can be found on either side of the House to affirm what I now say. It is true—I speak now from memory alone and subject to correction, that one member of the committee, who, I think, was not present at the time the decision was arrived at, afterwards took exception to the course pursued and resigned, but Liberal members of the committee, more than one, were present and affirmed the conduct of the committee and stood by the committee to the last. And now their judgment has proven to be correct. I do not think anyone to-day would seriously argue that that portion of the building could have been used, and I do not think anyone would like to have his argument remembered against him in the future who would suggest that $2,000,000 was wasted by not using the old walls, and $2,000,000 more thrown away because they were torn down. The whole history of the structure is a history

honourable to Canada in every way. This is the most magnificent edifice in the Dominion, and in respect of the entire enterprise, from its inception to the present day, there has not been a breath of aspiration as to the honesty of the whole execution.

Mr. CALDWELL: Will the right hon. gentleman allow me a question?

Mr. MEIGHEN: I hope it is better than his speech.

Mr. CALDWELL: Will the right hon. gentleman deny that two competent engineers have stated that $2,000,000 worth of the old walls were structurally sound and could have been built upon?

Mr. MEIGHEN: I do not deny it, but I know they have been found to be wrong.

Mr. CALDWELL: By whom?

Mr. MEIGHEN: By the committee and by the majority of engineers.

Mr. CALDWELL: I should like you to prove that.

Mr. MEIGHEN: You can get an engineer, as you can get a member of parliament apparently, if you are careful enough in your selection, to say almost anything.

Mr. CALDWELL: Were not those engineers selected by the government of which you were a member?

Mr. MEIGHEN: Quite so, but there is a difference of opinion there as elsewhere. But we now know, we are not now engaged in any speculation. We know which was right and which was wrong; experience has proven it.

Mr. HALBERT: Were those two engineers discharged, or were they retained until the completion of the building?

Mr. MEIGHEN: I was not on the committee; I had nothing directly to do with it at all. I assumed my responsibility as a member of this House—and what the minister says is correct, that the conduct of the committee and the decisions of the committee were ratified not by a partisan majority, but by the House as a whole. The credit for the venture, therefore, belongs to the House as a whole, and nothing but the most extreme party fanaticism could now endeavour to give it any other aspect or to cast a slur on either party. This being said, I should not sit down, I think, without stating my position on the vote. If I followed my personal inclinations I would support the minister, and very strongly

so. I would like to be convinced that his reasons for going on are sufficient, but he has not convinced me that they are. I do not think there would be very much loss in a little longer delay. I suppose there would be some interest on the investment, and after it is carried beyond the 31st of December of this year there would be, I presume, some depreciation, but it could not be very large; and I fancy there are a great many things in Canada we would have to go on with if we are going to count that reason against delay sufficient to compel us to start now. We voted $700,000 last year and only paid some outstanding claims, which, I presume, should have been paid. The matter has stood until now, and we are really not in as good a position as we were in a year ago. I have a fear that even if the money is voted the government will not spend it; I fancy that is likely to be the result of it all. I suggest therefore to the minister that he accede, perhaps not to the amendment as it stands, but to an amendment reducing the amount of such sum as it is essential to spend this year,

Mr. KING (Kootenay): As I have already explained, arrangements have been made for completion this year. In fact, the drawings are already being made and within a few days after this item is passed the contractor will be cutting stone, if he is not already doing so. Now, let us just look over this whole situation again.

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. 8, to change the name of The Travellers Life Assurance Company of Canada to "Montreal Life Insurance Company."—Mr. Jacobs.

Bill No. 9, respecting The T. Eaton General Insurance Company.—Mr. Sheard.

Bill No. 10, to confirm an Agreement between The Ottawa Electric Railway Company and the City of Ottawa.—M. Chevrier.

SUPPLY

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

Ottawa parliament building, $600,000.

Mr. KING (Kootenay): Just before six o'clock I was going to make a further statement regarding this expenditure. I am rather surprised at the attitude of some hon. members as to the expenditure this year. The government did not originate this expenditure, it was necessitated by a fire which destroyed the parliament buildings. The government of that day saw fit to undertake this obligation and, I think, properly so; the work of reconstruction was concurred in and agreed to I believe by all. At the end of the year 1921 when there was a disagreement the architect retired. After his retirement the present government came into power, and had certain adjustments to make. Those adjustments have been carried out properly and fairly, I think, and to the satisfaction of all members of this House. In 1922 this parliament voted sufficient money to complete the tower and to finish these buildings. During 1923 it was the feeling of parliament that this work should be done. That being the case, and such having been the attitude of parliament during those two years when adjustments were being made between the government and the architect, and the contractors, the government naturally assumed that they could come before parliament this year and ask for a reduced vote, an amount not as large as the vote of last year. We asked $700,000 last year. We have cut down the expenditure, and we come to parliament and ask for $600,000 now, in order that we may complete the undertaking of the late government and the people of Canada. It has been suggested by the hon. member for Burrard (Mr. Clark) that he will oppose this expenditure and he suggested that $80,000 worth of machinery was a mere bagatelle. Well, it means that if that machinery goes out of the buildings, and if five years from now the government of the day have to enter into a new contract, they will not get a contractor to put the machinery in those buildings and do the work for seven per cent. The architects are eminent in their profession, and I think it is desirable that they should continue the work; and as far as I am personally concerned, as Minister of Public Works, I have gone a long way in order that the construction of this building might be continued, and that those men might complete the construction. I think it is only reasonable and fair, and in the interests of this construction, that those who designed and carried on the work should have an opportunity of completing the building. We have an arrangement with the architects whereby they will design and construct or supervise the construction of this tower at five and a half per cent commission. When we came to deal with Mr. Pearson last year, after we closed out the old arrangement with

him, did Mr. Pearson offer to do it for five and a half per cent? He said: "No, ten per cent, and fifteen per cent on some features."

An hon. MEMBER: There are other architects.

Mr. KING (Kootenay): We insisted that the architect should carry it on at five and a half per cent. If this work is not continued at the present time, and if it becomes necessary for the government—I do not say this government, but any government—to enter into a contract at this time for this work, you would not get it done for five and a half per cent, because that is not in accordance with the architectural fees charged in this country. In addition to the plant that is already there and will be available for the completion of this project until December of this year, the government, in the original expenditure, constructed very large sheds or workshops in order that they might satisfy the requirements during a period of four years, because it was intended that this building should be completed in that time. It is now nearly eight years since this work was undertaken, and I am advised that an examination last year of the foundations of these workshops, which cost a considerable sum of money, shows that if we had started the machinery in those shops there would probably have been a catastrophe. They have been deteriorating during the last five years, and if you leave them there for five years more they will be an eyesore, and you will have to renew them, or spend a large sum of money to put them in shape for this work. Is it desirable for the people of Canada or the members of this House that we should have this hill littered with construction material for five years? Is it the desire of the members of this House that we should destroy the organization built up for the construction of the buildings and delay the work for five years? I think not. I think, in the interests of economy, in view of the fact that this parliament has on two occasions voted money for this work, that it should not be stalled at this time, and that we should proceed with the construction of the tower, the electrical equipment, the installation of elevators, and do the things necessary to complete the work. I do not believe it would be wise, in fact I think it is absolutely unwise, that we should delay at this time. It is very easy for one to say "The construction of this tower means nothing to me or to my constituents. It is better for me to ask for something for my constituents." But we are dealing with a matter that is national, and I am satisfied that my constituents in British Columbia have sufficient pride in the central parliament buildings of Canada to desire that that tower shall be constructed, and to take the advice of the men who were employed, in whom we have confidence, and complete the construction this year.

Mr. GUTHRIE: What is the estimate for brick and stonework on the tower?

Mr. KING (Kootenay): The amount is $383,898. That would be for the Memorial tower and the Main tower. I am satisfied that if hon. members will give this matter a little more consideration they will change their attitude on this question, and I am hoping that the hon. member who moved the amendment that we should not construct the tower but should reduce our estimate by that amount, will see fit to withdraw that amendment, and accept the appropriation. I am satisfied it will be absolutely false economy for us not to continue at this time. If it is left over it will cost a good deal more in the end and we will have the disadvantage of having an uncompleted building in the Dominion of Canada, and this building is one of the first buildings, surely, that should be completed. If our hon. friends would go down to Sussex street to-morrow morning and see that shop, then come up to Parliament Hill and look at the lumbered-up condition there, and then say that they desire to have that remain in its present condition for five years,—that we should stop construction, and at the end of five years build new workshops and bring in new machinery, get a new contract and a new architect—then, so far as I am concerned I do not agree with that, and I think it would be a great mistake.

Mr. STEVENS: Might I bring to the hon. minister's attention the suggestion I made before recess? I cannot see for the life of me how you are going to construct or install your elevators this year in any case. I do not think it is physically possible. Why vote some $30,000 for that? Then there is no possibility of installing that very fine and elaborate electrical plant, the reflector, for which $27,000 is to be voted. Why bother about that this year? As I said before, in so far as the lighting system in the building where it is not finished is concerned, I remember looking over some of it at dinner time and it struck me that it was at least not repulsive; and while we would like to see everything finished up in tiptop shape, and all the carving and so forth finished —and I notice the minister provided a very substantial sum for carving—yet these are things that could wait for a while. I would suggest the minister could very well do with

$400,000 at the outside, and have ample to save his investment in equipment and machinery, which seems to be impressing him very much, finish the masonry work on the tower and leave the extras for another year, in view of the fact that very little of it, if any, can be finished during this year. One reason why this appeals to me as reasonable is this—and there are other items in the resolution in the same position—that the government has been making very considerable capital, shall I say, out of the reductions in the Civil Service. For instance, as near as I can see, there are about three or four hundred thousand dollars' worth of reductions in the Civil Service in Ottawa. Here we are providing for an expenditure of at least $200,000, in this one item, which apparently is unnecessary and almost impossible to use this year. At the same time we are reducing the staff in Ottawa and discharging employees. I am not complaining about that for a moment; but there is something in connection with this that offends one's sense of justice and decency, and I would suggest to the minister that he drop from the item these extra charges and costs and reduce it to the bare necessity for finishing the masonry work.

Mr. KING (Kootenay): As regards the electrical wiring and the elevator, I think those who have knowledgs of building will agree with me that wiring should be done during the period of construction.

Mr. STEVENS: The conduits, but not the finished reflectors.

Mr. KING (Kootenay): The elevator was bought for this tower prior to 1921-2 it is now in the basement or in storage, and it is not being improved but is deteriorating by being there. I think that installation should go on. I think the lighting or the arrangements for lighting should go on. I do not think there should be large expenditures in carving, and that is not intended at all. Last year parliament voted $700,000. We have not carved those stones; we did not expend that money. I think there is certain work that should be done at certain points in this building in order that we may get the benefit of the expenditure that has been made. Parliament during two years in succession passed this vote when we were not able to go on because we had certain matters to settle, and personally I was not prepared to go on until they were settled and this thing was cleared up. This thing has been cleared up; we are prepared to go on, and I think we should proceed. I am not desirous of having any great carving done; I am satisfied as regards the lighting, but I think we should proceed, and we shall have to proceed gradually in order to take care of this building and bring it into the position into which it was intended to be brought. I do not think the opposition to this appropriation can be serious because, after all it must be the desire of every Canadian that this building should be completed and not left as it is to-day. I would appeal to hon. members to reconsider the matter and to let us have the money necssary to complete the tower and to do what we find it is economical to do in the matter of wiring, elevators, lights and such things.

Mr. GOULD: When the minister speaks of the item of $700,000 which was voted last year, it may be that we are right in our conclusion that the government had not the same vision of the need for economy as they have this year and as is expressed by the smaller amount of money asked for. Yet, I must confess, when I read this item, I received the first shock to my sensibilities, in that it seemed to prove to me that the minister or perhaps even the deputy, had not yet fully felt the real need for economy which obtains and has obtained throughout this country for many years now. After leaving the chamber last year and spending about seven months amongst the people who are everlastingly approaching their representatives to demand economy, I find this thought arising in my mind quite naturally: If I could lay this item before the 30,000 odd people who live in my district and ask them what they would do with it. I am quite sure, contrary to the sentiment expressed by the minister to-day, they would say: "Leave it alone; you do not need it at the present time; look at the hundreds, yes, thousands of things left in abeyance in this country longer than the completion of this tower". That is the way in which they would look at the matter. I do not agree with the attitude taken by the minister that we are going to lose so much money because plant, construction machinery, is left here. It seems to me that Peter Lyall & Company are having quite a nice time in receiving from this government certain sums of money for the protection of their implements here and there. I notice in the next item, No. 140, another item where money is to be paid to Peter Lyall & Company for expenses incurred in protection of works during a shut down. Therefore, possibly we may not pay so much attention to this amount of money which is going to be lost in taking care of those implements.

I can quite well understand the attitude of hon. members who represent this city. Naturally enough, as representatives of Ottawa, they would like to see the tower completed;

but, perhaps, their interest and influence might better be exerted, if the money has to be expended, in trying to have the federal area here commenced. In my opinion, in this city, that is a need far greater than the completion of the tower. If the money has to be expended, why not take the full $600,000 and commence a federal area, so that we can have consolidation and co-ordination of our offices throughout the city? I am sincerely of the opinion that we should practise economy, and this item, the first item we have discussed, brings us to the point that we feel like opposing it. I should like the minister to take the initiative in this and, at least, to reduce the item by a considerable amount.

Mr. GRAHAM: Perhaps hon. gentlemen are magnifying some of the details. I think the minister would have no objection to letting the item stand until he could look further into the particular items that are mentioned. There is, however, one particular aspect that we must not forget. There was a war a few years ago largely because one party to a contract did not keep it. In the present case there were certain difficulties, as every member, but particularly the Minister of Public Works (Mr. King) knows, that had to be settled with both the contractor and the architect. This House voted money two years ago for the purpose of finishing this tower, the minister in the meantime endeavouring to settle these difficulties, because the prospect of settlement was the only weapon the minister had before he would proceed; he would not proceed with the work until he had this settlement made. This House approved that two years in succession and voted the money to go on with this tower. Had this settlement been accomplished a year ago, the tower would have been at least partially completed now, because parliament told the minister to go on and complete it. The settlements were made —and this is the point I want to bring out— with the contractor and the architect on the distinct understanding that the completion of the tower was to proceed. After the settlement has been made on that understanding, is it just what one would like to approve, for parliament to come along and say: "We have the settlement out of you; now we are not going to carry out our part and complete that tower?" It is, of course, an embarrassing position for the minister, but not nearly so embarrassing for him as for parliament, not to keep its share of an implied contract with both the contractor and the architect. Those are the plain facts of business. There is not a man in this House who would do such a thing in his own business. If he had given a contractor a contract for the construction of a residence and had an architect, and had made an agreement with the contractor and the architect to settle differences on the understanding that they would go on and complete the residence, there is not in this House a man who would say then: "Now I have this settlement; I am not going to build the house now; take away your plant."

Mr. CALDWELL: Does the minister realise that this information was not given to the House before? I think it is unfortunate that the minister did not give us before the information that the settlement with the contractor and the architect was made on the basis that the work was to proceed.

Mr. KING (Kootenay): I gave that this afternoon.

Mr. CALDWELL: I did not hear it.

Mr. BOYS: That is the very question I myself asked, and what I understood the minister to say was that it had application only to December 31, the understanding being that the machinery was to remain there until then. That is a very vital point. The contract, I presume, is before the minister and if any agreement has been entered into that requires the department to proceed with the work we should certainly be responsible for a heavy item of damages if that work is not gone on with. Aside, however, from that, I have expressed my views in regard to the item; I am in favour of the tower being completed. Before the committee rose at six o'clock I took down some figures but I do not know whether I got them correctly. I understood the minister to say that the masonry work on the tower amounts to $293,000.

Mr. KING (Kootenay): That is right.

Mr. BOYS: And the completion of the tower, with elevators, wiring, and so forth, make a total of $383,000.

Mr. KING (Kootenay): The total is $383,898.

Mr. BOYS: There is no question, then, that $400,000 would cover everything in connection with the tower.

Mr. KING (Kootenay): Without the memorial chamber.

Mr. MACKENZIE KING: I might mention, in connection with this matter, that only last night Mr. Pearson the architect saw me at my office with reference to the

amount which the government is proposing to pay him for this work. He showed me letters that had passed between himself and the Public Works department, the last of which, I think, was an intimation that in view of the settlement that had been made with him he was to receive five per cent or thereabouts for the work in connection with the completion of the tower. He complained that this was an outrageous figure for the government to offer him, and he represented that so unfair was it that the Architects' Association would doubtless protest very strongly against any such fee being paid for that class of work However, the correspondence revealed the fact that it had been pointed out to him that he was being given 5 per cent for the completion of the tower in virtue of his having received a certain sum for all the work that had been done up to that point in the settlement, and that it was part of the settlement. He accepted it for that reason, but he intimated in a communication that he did so only because of his love of the work and of the interest that he had taken in it, and because of his desire to have an opportunity of himself seeing it completed. He intimated to me that the government was not treating him fairly or properly and that nothing would induce him to accept the arrangement except the circumstance that he realized that, unless he gave his time immediately to the work and saw to its completion, he might never have an opportunity of completing it. The one phase of the work to which he has given more attention than anything else is the memorial chamber, to which reference has been made to-night. Now, we can dispense with that undertaking; if hon. members insist that this be done I am quite prepared to recommend to my colleagues in the government that we dispense with that feature of the work. But it is the one feature that relates to the men who have been overseas; it is the one feature to which the architect has given more thought than to any other;—as I mentioned this afternoon, he secured from the governments of France, Belgium and Great Britain the stone which is to be used in that chamber, and that stone is now in the city lying packed up in a building waiting to be put into place. I say, we can dispense with this work;—

Some hon. MEMBERS: No.

Mr. MACKENZIE KING:—but I venture to say—and I am prepared to test the feeling of the House upon the question—that the people of the country will not approve of the action of this government in trying to economise on that particular item merely because it is not absolutely necessary to the completion of the tower.

Mr. CLARK: I was one of those who opposed the vote this afternoon, and I said then that what presented the greatest difficulty to me in opposing it was what the Prime Minister (Mr. Mackenzie King) had said. I think the Prime Minister is appealing to the House on entirely wrong grounds at this moment. Personally, I do not know where he gathered the impression that any member in this House was opposed to a memorial chamber. I think the suggestion is absolutely misleading to the country that any member in this House objects to having a memorial chamber in the tower.

Mr. MACKENZIE KING: That is the very matter provided for in this item.

Mr. CLARK: I stated this afternoon that I wanted to see the tower completed with a memorial chamber; and I am quite satisfied that there is not a member in this House who does not want to see the work done. But what we do suggest is that the tower can be completed and the memorial chamber built in it later on under the plans which now exist.

Mr. STEVENS: It is there now, unfinished.

Mr. CLARK: We all hope that this particular architect will be spared to carry out these plans, but if he is not, there will be other architects available, and we can follow the plans some time in the future when we can afford to have the work completed. Let me repeat that the people of Canada expect us to retrench and do away with capital expenditures where possible, for the present, until the country can afford it. We will readily vote the money that is necessary for the tower when the country is able.

Mr. STEVENS: I might point out to the Prime Minister that the memorial chamber is already constructed in the tower, with the exception, of course, that the interior is not finished. The very argument I made a moment ago will apply equally well to the memorial chamber: I do not think it would be advisable to finish that chamber until the upper structure of the tower is completed, and that is not likely to be done within the coming fiscal year. Now, there are included in this vote items for extra finishing which is unnecessary and which, as I have pointed

out, cannot possibly be installed this year. That being the case, why include that work now? If it is necessary to do certain work in order to save $80,000 in equipment—and I think there is an argument there that might be considered—if it is absolutely essential, in order to save that money, to go on with the masonry work, to which alone this equipment applies, then perhaps it might be desirable to do so. I should like to get the information definitely from the minister, because I do not think that the committee fully understands the situation, and certainly I do not. Does the masonry work cost $383,000 or $293,000?

Mr. KING (Kootenay): The masonry costs $293,000.

Mr. STEVENS: I understood the minister to say a while ago $383,000.

Mr. KING (Kootenay): I gave the figures for electrical equipment, masonry and so forth, but the masonry is $293,808.

Mr. STEVENS: The minister must have misunderstood the question. The masonry work will cost $293,000 or possibly $300,000. Does that include the finishing of the memorial chamber?

Mr. KING (Kootenay): No.

Mr. STEVENS: It does not include the finishing of the memorial chamber?

Mr. KING (Kootenay): No.

Mr. STEVENS: But it includes the completion of the masonry work of the tower. The suggestion I made a moment ago to reduce the vote by $200,000 is very well within the mark. By so doing we would demonstrate to the country that we are quite sincere in paring public expenditures to the utmost.

Mr. WOODSWORTH: It seems to me that the minister and the government do not at all realize the situation which tens of thousands of our people are in at the present time.

Mr. GRAHAM: It would give some of them work.

Mr. WOODSWORTH: I quite recognize that resuming construction on the tower will give a certain amount of work to a few people here. I also recognize the fact that under a decent system of finance and a proper system of taxation we would have enough money to go ahead with this and a great many other expenditures. But we are dealing with the present financial system, under which, it seems, the government finds it necessary to cut down the most essential expenditures. We have had a substantial cut of the grant for agricultural education and of expenditures respecting public health. We must not forget that a great many people throughout the Dominion are struggling to hang on a bit longer while thousands are migrating to the United States to earn a living. I think of many agricultural communities to which I go where there are no proper roads, where men and women are living far from the ordinary social opportunities which they and their families ought to have; I think of hundreds of closed schools on the prairies where another generation is growing up without a chance of even learning to read and write; I think of men and women in my own city of Winnipeg who, not having the ordinary opportunities of acquiring a living, are pinching and scraping to exist,—and I know that this $600,000 must come out of the pockets of the ordinary people. There is no question but that we all feel the need for maintaining the dignity of Canada; there is no doubt whatever that we would all be pleased to have tourists look up with admiration at a completed tower; and I think there is no hon. member but values fully the aesthetic side of things. But until the government can see its way to make a great many other expenditures and to lighten the load which the people now have to carry, I cannot see that we are justified in voting for such an item as this.

Mr. KING (Kootenay): Mr. Chairman, the discussion has been fairly prolonged, and I think by this time members ought to realize what I have tried to make plain, that the government did not initiate this expenditure. It was initiated by the government of the day when it was decided to reconstruct the parliament buildings, it was endorsed by parliament at that time, and it has been reendorsed from year to year, the committee of parliament being in close association with the work and reporting to parliament from time to time. I think there can be no question that if the government had failed to put this item in the current estimates they would have been severely criticized by hon. members.

Mr. WOODSWORTH: No, no.

Mr. KING (Kootenay): It is a matter for parliament to decide. In order that we may have a further opportunity to consider this vote—and it may be viewed from several angles—I would suggest that my hon. friend withdraw his amendment and that we let the item stand for the present.

Mr. McMASTER: Might I request that before we take this item up again, the minister supply to the committee a calculation prepared by the officers of the Public Works department as to just what the expense of postponement would involve?

Mr. KING (Kootenay): I think we can arrange to have such an estimate prepared.

Mr. SHAW: Might I ask the minister to also place on the Table of the House a copy of the contract, so members may have an opportunity of determining the responsibilities of the government in this connection?

Mr. KING (Kootenay): Yes, we will do that.

Mr. BRETHEN: I think it is the desire of every member to get the fullest information respecting this vote. Very little has been said to cause me to change my view in the matter, but I am perfectly willing to withdraw my amendment on the announcement of the minister that this item shall stand for fuller information.

Mr. KING (Kootenay): Thank you.

Mr. STEVENS: When the minister is laying the contract on the Table, will he also furnish the documents setting forth the settlement with the architects?

Mr. KING (Kootenay): I shall be very glad to do so.

Mr. MARTELL: And will the minister also lay on the Table the full contract and all other documents concerning everything that was done under the late government?

Item stands.

Harbours and rivers—Ontario, $626,750.

The CHAIRMAN: Is it the pleasure of the committee that the vote be taken item by item?

Some hon. MEMBERS: Yes.

Belle River—Harbour Improvements, $30,000.

Mr. HANSON: Is that the wharf we heard so much about during the Essex by-election as having been built for the accommodation of rum runners?

Mr. KING (Kootenay): This is a re-vote of $30,000 to provide for the contract that has been let for the following harbour improvements at Belle River:

For the construction of 1,400 lineal feet double close-faced sheet pile wall, consisting of double 3" sheeting for length of 1,100 ft and double 4" sheeting for length of 300 feet. Sheeting to be from 18' to 20' in length, securely waled to round piles on each side of sheeting placed at 5' centres; also round-pile stone-filled cribs triangular shaped 18' on each side.

The successful tenderers were the Detroit River Construction Company.

In addition to the above work, it is proposed in 1924-25 to dredge the 50 foot channel at Belle River to a depth of 10 feet at an estimated cost of $11,000.

The contract has been let and the work is under way. This is a re-vote in order that the work may be continued. In reply to my hon. friends' inquiries in regard to the much talked-of contract, I was not present when the item was before the House last session. There have been suggestions that this is a political item. That is not true. The man who initiated this expenditure is not to-day in this House, but he represented that district and was also a member of this government. He represented to the Department of Public Works and to myself as minister that this was a necessary and proper work, and so far as I am concerned the amount was placed in the estimates on his assurance to that effect.

Mr. ARTHURS: What is the population of Belle River?

Mr. KING (Kootenay): It is a prosperous village on the Grand Trunk railway, an important point on the Canadian side of the lake, seventeen miles east of Windsor. It is at present a harbour of refuge only for shallow draft vessels and gasoline launches, but it is expected that water borne traffic will develop to a considerable extent on the completion of the pier. The population is 608.

Mr. HANSON: Was the contract by tender?

Mr. KING (Kootenay): Yes.

Mr. HANSON: What is the tonnage that it is anticipated will go over this pier?

Mr. HEALY: Mr. Chairman, may I be permitted to give the hon. member for York-Sunbury (Mr. Hanson) some information—he seems to be in need of it—with regard to this work? The work is not a dock, it is not a wharf, but it is a breakwater, to protect the entrance to the harbour of Belle River, on which previous governments have spent $28,000. The hon. member asks what connection this has with rum running. Let me tell him that the people of my constituency are not quite so familiar with rum running as those of New Brunswick, the province that he represents. There has been a great deal of misrepresentation with regard to this vote, and that misrepresentation has been carried up and down the highways and byways of this country since last year. Last

year I came into this House a new member and I was warned that the leader of the opposition had something on me that would put me out of public life. I was at a loss to know what it was, but when the vote for Belle River came up last year I was almost terrified by the accusations that fell from his lips. Let me say now, as I said then, that never before that afternoon, and never since, except in the possession of the right hon. leader of the opposition and of a former Minister of Finance of this country, did I see the pamphlet that had been laid at my door. Upon my return to my constituency last year I inquired thoroughly as to where it came from, and not a member of my executive had seen it; not a member of the Conservative executive in the north riding of Essex will say to-night that I have any knowledge of it. The leader of the opposition is about to pay another visit to the constituency that I have the honour to represent. I will leave it to him to ask his own agents there whether or not I am telling the truth. Now, it is easy to attempt to ruin the reputation of a public man by muck-raking. The pamphlet that was held up with such unholy glee by the leader of the opposition and a former Minister of Finance last year has been made the subject of reference all over the country. The right hon. gentleman carried it from Halifax to British Columbia —and after all what was it? A question of a vote for $30,000 to take care of a harbour that had been recognized by every government for twenty years. On the recommendation of the former Conservative member of the constituency, a customs officer was appointed there. Belle River has a population of some eight hundred French Canadians

9 p.m.

Last year, out of $2,900,000 appropriated for Ontario, there was only one little vote of $30,000 for the French-Canadian population of Belle River, and that was the only vote that the leader of the opposition had the nerve to attack out of that amount of $2,900,000. Well, he has been accused of preaching the doctrine of hate up and down this country; if I had one or two of his speeches here—which I have not, because I did not know this vote was coming on—I would be glad to read from them. But in my constituency actions speak louder than words. As the hon. minister has said, I did not initiate that poor little vote of $30,000, but I was proud to support it, and I made the statement at Belle River and in the city of Windsor, a statement which I am prepared to make to-night, that any vote that was initiated by the former Minister of Railways, whom we were proud to honour in my constituency and whom this House was proud to honour, is good enough for me to support either in my constituency or in this House.

Mr. MEIGHEN: The hon. member for North Essex (Mr. Healy) has treated us to quite a disquisition. He seemed to come loaded this session and bound to attack me whether I said anything or not. I do not think I have referred to this miserable transaction more than a couple of times since last session, but I want to say to him that its aroma has not been the least improved by the experience meanwhile, and is not a whit better in point of morals or in point of business since it was initiated last session. The government, as the hon. member, tried to hide behind the skirts of the late lamented Minister of Railways; they said he initiated this vote. Well, it took a long while to appear after the initiation. It was not in the Main Estimates last year; it awaited the result of the election in North Essex, then on the hon. member appearing it came, toward the end of the session, in the Supplementaries. I, of course, can say nothing as to what the Minister of Railways did. There is always great pressure on a member to press for anything and everything in his constituency, and possibly the minister yielded; I know nothing of that. But I know from a visit to the riding and I know from correspondence since, that this vote is nothing more or less than an outrage, a robbery of the treasury of Canada; that there is no business in Belle River, it does not matter who inhabits the place. There is no business for the breakwater, or the dock or the wharf, or whatever it is. It is simply a waste of the money of Canada, as a reward—

Mr. HEALY: When the vote was up last year did the right hon. gentleman not admit that some dredging was required in this very harbour?

Mr. MEIGHEN: I do not recall admitting anything of the sort, but I know there is no business there. It may be a place used by gasoline launches—what was it the minister said—as a harbour of refuge? There may possibly be the like of that, but there is no need in the world for a dock or a wharf or a breakwater, and the people of Belle River know it as well as the people of the rest of the riding. Yes, I am going up there, and when I reach Windsor I will express myself as I express myself here in the House of Commons to-night. A pamphlet was published—who published it I think the hon. member

knows as well as I, and who got it printed and circulated. Everybody knows it was printed and circulated, whoever did it, to help elect the hon. member himself. This was promised; other things were promised, and illegally the pamphlet was scattered through Windsor—several have reached me since. I do not suppose it would be put at the door of the hon. member; he would likely vote right without it, but it was scattered in those quarters where it would be likely to affect the vote, by reason of this promise, by reason of this bribe, and by reason of others that were embraced within it. The government is carrying it out, and on the government's head is the responsibility.

Mr. KING (Kootenay): There seems to be an impression that this is a new work. Now, for many years the government have been spending money at Belle River. The engineers have suggested that by building these retaining walls it would be possible to prevent the sedimentation that has been taking place and the necessity for the continued dredging that has hitherto been required. That is, by building this retaining wall and confining the waters within a certain area the debris will be flushed out, and we will not be called upon each and every year to do this dredging. There is nothing new in this proposition. It is recommended by the engineering department as a proper expenditure, and it is hoped that by constructing these retaining walls we will be able to save money in the end. Representations on the subject have been made by various people. Take the Northern Navigation Company. They represent that this construction, and the deepening of the channel, will permit their boats to ply into that harbour. The item is not a new one. It is one that has come properly before the government, and received proper consideration after being reported on by the engineering department. A vote was properly placed in the estimates last year, the contract has been properly let, and we are now only asking for a revote.

Mr. HOCKEN: Will the minister tell us what depth of water there is at Belle River?

Mr. KING (Kootenay): We hope to secure a depth of ten feet.

An hon. MEMBER: Would the minister tell us how much money has been spent to date at Belle River?

Mr. KING (Kootenay): The sum of $28,211 has been spent to date.

Mr. STEVENS: In what period, since when?

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

Mr. STEVENS: I should like to suggest to the minister that the $28,000, in round figures, of expenditure is since confederation, and represents practically nothing. Now the minister has intimated that this $30,000 is for certain revetment work, and he hopes to get a depth of ten feet. A moment ago he said the depth was not ten feet, so we presume there will be another vote for dredging. What I should like to ask the minister is this: In view of this expenditure, and the peculiar manner in which it was launched—and by the way I noticed the minister rather offered an apology—

Mr. KING (Kootenay): No apology at all, I am only stating facts.

Mr. STEVENS: Who are the Northern Navigation Company, where do they ply their steamship line?

Mr. KING (Kootenay): They operate between Windsor, Detroit, Michigan and Chatham, Ontario.

Mr. HOCKEN: Have they got any boats that can be sailed in ten feet of water?

Mr. HEALY: They have—

Mr. HOCKEN: I was asking the minister.

Mr. HEALY: And I am giving the information.

Mr. KING (Kootenay): Here is what the company say in one of their communications:

> Our company, who operate a steamer line between Windsor, Ont. Detroit, Michigan and Chatham, Ont. will take advantage of the opportunity which the building of this pier and the dredging of an entrance thereto gives us, by having our steamer use same daily on the vessel's trip, and we believe that the opening of this harbour will materially add to the convenience of the people in the neighbourhood besides very much increasing the value of the property, inasmuch as a large picnic park would be built at this location and there would be thousands of people carried there that formerly did not have the opportunity of visiting the locality.

The manager of the Northern Navigation Company says:

> I have personally inspected the location and feel that if the harbour is to be made permanently useful another pier on the west side of the river should be built so as to prevent the bank from falling into the dredged channel, and we hope that the work will be fully completed by the first of June next.

Engineer Craig says:

> I am recommending for next year the provision of a sufficient amount to build a similar extension on the west side of entrance channel and to dredge a channel to a depth of ten feet between the two walls on their completion.

Mr. FORKE: I want to make a statement, now we are at the beginning of a consideration of the estimates. I sit here, in company with a great many other members, and we hear a wrangle when a vote comes up, the leader of the opposition making the statement that the appropriation is of no use, that it is simply a sop to the electors, and a member for the constituency telling us that it is an absolute necessity. Most of us here do not know anything about it. Now, what sort of position is it where two reputable members of the House make statements that are diametrically opposed to each other?

Mr. HEALY: May I point out that one member knows what he is talking about.

Mr. FORKE: The trouble is we are not very sure of it yet. The statement I want to make, and I want to make it to the government, is this: That henceforth we shall require some fair warning of what estimates are going to come up before the House, so that we may have proper time to make an investigation and obtain the necessary information on which to base intelligent criticism of the different items. We go back to our constituents and we are asked about these items, and all the information we have is what is brought out by the stock questions that are put from year to year. That was the case in almost every item that came up last year; there were a few stock questions put that did not amount to anything. What I want is that the government should give fair warning before estimates are brought up for consideration, the night before if they possibly can, so that we may have some opportunity during the next forenoon to make inquiries regarding the nature of the estimate that is to be passed. I want to make a protest against this method of putting estimates through when we have no knowledge whatever of what they really mean.

Mr. MACKENZIE KING: I want to say to my hon. friend that there is no intention at all on the part of the government—

Mr. FORKE: Excuse me, I do not want to make any insinuations against the government. I offer this suggestion because I believe it to be a good one.

Mr. MACKENZIE KING: I was just going to say to my hon. friend that I do not think there has ever been an occasion that notice has not been given the night before of the estimates to be taken up next day. To-day it so happened that there was an understanding last night that one of the items in the Public Works department would be proceeded with. I asked the leader of the opposition this afternoon in the presence of the House, whether there would be any objection to going on with the estimates inasmuch as that notice had not been given. Any member, I think, might have objected at the moment, but the House being consulted in the matter did not object and we proceeded. Let me say that if there is the least objection at the moment to going on with these estimates I will ask to have them discontinued. The government has no desire to press the matter. This particular item was discussed last year, and a sum was voted, and all we are asking the House to-night is to revote the amount that parliament then considered and approved of and that was not used. Let me repeat, if any hon. member of the House does not wish to have a discussion of these estimates at the moment I would ask the minister concerned to move that the committee do rise and report progress.

Mr. HOCKEN: I should like to make the suggestion to the leader of the Progressive group (Mr. Forke), that if there is a conflict of opinion or statement about this wharf or breakwater he should select one of his members to go up and look at the work at Belle River. In the meantime the item could stand, and before it is again considered he could have a report from the member in question as to the character of the place, and the amount of the traffic or tonnage that enters it.

Mr. HEALY: I would be glad to take the hon. member up myself.

Mr. HOCKEN: I should like to ask the minister if he has any record as to the kind of tonnage that goes in and out of Belle River? How many gasoline launches, and how many steamboats, go in?

Mr. HEALY: May I be permitted to make a statement?

Mr. KING (Kootenay): Certainly.

Mr. HEALY: The hon. member (Mr. Hocken) chooses to be a little facetious this evening. If he wants to know anything about Belle River I would be very glad, as I said before, to accompany him there, show him the work, and satisfy him that it is absolutely necessary. As to the tonnage, the Northern Navigation Company is identified with the Canada Steamships Company, that runs large freighters from Sarnia up the lakes. They

also run a line of boats from Detroit to Chatham, drawing ten feet. They have offered to carry passengers daily from Detroit to Belle River and establish a park there just as they have done in other places. The tonnage that has been going in and out of Belle River for the past ten years—and that is the period the $27,000 covers—has been sugar beets from that district to Wallaceburg; and up to the time the channel closed up two years ago, gravel has been carried to build a highway in that district. I make the statement without fear of contradiction, that had that channel been open three years ago, on the gravel used for highways in that district, provincial and county highways, they would have saved $1.50 a yard in freight. Under the contract between the Dominion government and the provincial government the local municipalities all get a preference rate on the delivery of gravel. The contract is on file. The local points, such as Belle River, Dresden, Chatham and different points along the river taking advantage of this contract of the provincial government with the Dominion government, are able to buy their gravel and have it delivered at a dollar and a half a yard cheaper than it could be done elsewhere. Had the work been done when it should have been done, as far back as 1919 or 1920, the whole cost of $60,000 which is proposed would have been saved in the past four years to the people of that locality, and now it may eventually cost another $30,000 to protect it on both sides. The engineer is satisfied to try it on one side first. That is a definite statement of fact which is absolutely true.

The right hon. leader of the opposition (Mr. Meighen), has seen fit on several occasions to twit me on the size of the majority that was given me in my election. It was only a little over a thousand, I admit, but I want to point out that in the whole history of that constituency there was only one larger majority given, and that was given to the late Minister of Railways; and we did not call it an election, we called it a landslide, because the people of that locality had decided to give the late Minister of Railways the election by acclamation, but at the last moment the hon. leader of the opposition insisted on election and handpicked a candidate. The gentleman was the handpicked candidate of the right hon. leader of the opposition, and he lost his deposit because half the Conservatives resented the tactics adopted, and voted for the late Minister of Railways. The leader of the opposition speaks of reducing the majority from 7,000 to 1,000. Outside of that one election no candidate in the riding of North Essex received as large a majority as the one given me in my election.

Mr. FORKE: What about the breakwater? That is what we want to hear about.

Mr. HEALY: This is the first opportunity that I have had to resent the slurs cast on me by hon. gentlemen. I think I pointed out the need of the breakwater. These people are entitled to have that channel kept open just as much as the people in any other locality in this country are entitled to have a channel kept open. They have had it kept open for twenty years. The most of the money has been spent in the last ten or twelve years. This is a business proposition, to get away from the continual annual waste of money by putting this small entrance—that is all it is—to this harbour in a condition so that the government will not be called upon from year to year to spend from two to five to ten thousand dollars for dredging. It is a straight business proposition. The files will show that it was not initiated by myself. But I came here as a representative of the people, and the first opportunity I had to take a hand in the matter was when the Supplementary Estimates came up, and, as representing that locality, I asked the government to include it in the vote. That is a simple statement of the fact. It is a very small vote, but it is just as necessary for these people as the millions voted for the harbour of Toronto are for the people there, and just as important as the millions being asked for by British Columbia and placed in the vote of this year. It is just as important as the amount asked for by Fort William and Port Arthur. These are larger places, but the smaller community has some rights in this country, and I am going to represent the small community just as much as the great city of Windsor, whenever I believe they have rights, and I am not ashamed to stand up and fight for their rights at any time either at home or here.

Mr. HOCKEN: Can the minister give me the information I ask for? There is a customs officer there and there should be a record.

Mr. KING (Kootenay): I have not the customs returns, but we are advised there is a quantity of sugar beets transported from that point. The sand and gravel business

which has been mentioned is of interest to the municipality; in fact the municipality themselves have recommended that this work shall be done. This work would also permit of their bringing in coal, lumber and building material, and would help in the developing of the fishing industry. There was a suggestion that there would be a brick and tile works established there. I do not know whether that is the case or not.

Mr. HOCKEN: I understand the minister cannot give me the information I ask for.

Mr. KING (Kootenay): I have not the customs return.

Mr. HOCKEN: I think it would be interesting to this House if we knew how many gasoline launches or how many boats used those waters.

Mr. KING (Kootenay): We have not the customs returns in regard to the traffic in and out. I do not suppose it can be very big, because I understand the channel is blocked at the present time. It has been closed for two years. It is like many channels that have been allowed to fill up; and I should say, from what I can learn, that it should be opened up, and that these people should have access to the water to carry on their business. I would not exclude them by any means because of the fact that they are a small community. Parliament authorized an expenditure of $30,000 last year and a contract has been entered into. It is a revote.

Mr. HOCKEN: Do I understand that there has been no traffic there at all? Why not let the item stand until we get the customs return?—because we ought to have this information.

Mr. BOYS: I think we ought to have some description of this place. Has there been dredging done in the past?

Mr. KING (Kootenay): No.

Mr. BOYS: What is the depth of water at the present time, and how far out from the shore do you have to go to get the necessary depth of water? From what I have heard it appears to me a channel will have to be dug, and there is a bay inside, or something of that kind. I think we should have some proper description of the locality, and let us understand what it is. Is it simply an effort being made to make a harbour, or is there to some extent a natural harbour there which merely requires improvement? Is this place on the shore of lake St. Clair?

Mr. KING (Kootenay): Yes.

Mr. BOYS: From the little I know of that locality, it is very shallow and you would have to go out a very long way to get ten feet of water. Can the minister tell me what number of feet the largest boat ever entering up to date would draw? Would it be anything like ten feet, or would it be three or four feet? If I know anything about it, I imagine you would have to go out six or seven hundred feet to get five feet of water. If this is an effort to make a harbour at a place where there is not a natural harbour, there is nothing to warrant it. I live on the shores of lake Simcoe and I could name any number of municipalities where they would be only too glad to get an appropriation for a breakwater, where they have a great depth of water. But that is no reason for such construction. If the department would listen to all the municipalities who would like to have something of this nature done, we could smother them with requests. The point is, is this needed? Is there any traffic there? Are there any boats of any size which come in and out, or is it merely a question of some pleasure launches that are used there for amusement? If the minister cannot furnish me with that information, perhaps the hon. member for North Essex (Mr. Healy) would be able to do so.

Mr. KING (Kootenay): We are desirous of giving all information possible regarding this or any other item. This is an old harbour that has been used for many years. During the war, I think there was not much doing, and the harbour was allowed to silt up. Boats have been using the harbour from time to time, and suggestions have been made that it should be opened up again for the advantage of the people there. I would be glad to get for my hon. friend further information in regard to the customs returns and any other information desired. I would say: Let the item stand for the present until we get that information. There is no hurry.

The next item is Blind river, wharf construction, $10,000. I would move that that be struck out. I am advised that the contract will be completed and the money paid from this year's appropriation. It is not necessary to revote it.

Mr. STEVENS: What do we understand about the item under consideration? We agreed to take the items seriatim.

Mr. KING (Kootenay): It was the desire of the hon. member to have the item stand over.

Item stands.

Blind river—wharf reconstruction, $10,000.

Mr. MEIGHEN: What constituency is Blind river in?

Mr. KING (Kootenay): Algoma East.

Mr. BOYS: Why is this item being struck out? Is it needed?

Mr. KING (Kootenay): The work is undertaken and it will be completed in time to be paid from this year's estimates in which we have an appropriation for it. We will not, therefore, require the revote. I move that the item be struck out.

Mr. HOCKEN: It is not a saving at all.

Item dropped.

Mr. SHAW: I would suggest that we leave this order and go on to some other order. I know a number of members have been taken by surprise in the matter, and more progress would be made if, after investigation, these matters were taken up.

Mr. GRAHAM: Does my hon. friend want to go to the next order so as to say something on his resolution?

Mr. SHAW: I am prepared to do so, but I make the suggestion in connection with the estimates.

Mr. GRAHAM: I want to make it quite clear that every night before the House adjourns—and perhaps hon. gentlemen do not pay close attention to this, because some hon. gentlemen are out of doors before adjournment, and I suppose four per cent read Hansard if their own speeches are not there—the question is asked by the leader of the opposition or by whatever hon. gentleman is leading the opposition, if the leader is not in his place, what is the business for to-morrow? And the government, so far as it possibly can, gives the information that we shall have certain business and then go into Supply, naming the department or departments. To-day was a little different, of course; but I want to make it clear that if hon. members will look at the end of Hansard of the day before all through the session, they will find the very items and departments the government intends to take up.

Mr. FORKE: That is true with some modifications, because I have seen a number of items come up that were not mentioned the night before. We have jumped from one end of the estimates to the other on many occasions. I do not blame the government altogether, but we want all the information we can possibly get.

Mr. MEIGHEN: I know the minister will be grateful for the help I am giving him in relation to the Belle River item. I have the trade and navigation returns indicating the value of this port and the importance of expenditures of money on it at this time, of course, aside entirely from electoral necessities. In order that the House may have some comparison, I will read the returns for Windsor which comes right above:

	Windsor	Belle River
Import duties	$3,292,942 39	$1,235 51
Excise taxes	1,687,741 48	610 17
Excise duties	138,032 13	nil
Sundry collections	27,653 94	nil
Total revenue	5,146,369 94	1,845 68
Entries inwards	29,526 00	97 00

That will be customs entries, I presume.

	Windsor	Belle River
Entries outwards	$ 55,129 00	nil
Railway reports inwards	207,792 00	109 00
Railway reports outwards	376,764 00	nil
Seagoing vessels arrived	nil	nil
Seagoing vessels, departed	nil	nil
Coasting and inland vessels, arrived	441	nil
Coasting and inland vessels, departed	328	nil

Mr. KING (Kootenay): I do not think that confirms what my hon. friend has said. There has been an implication that Belle River was a flourishing point with a fleet of rum runners and so on. Apparently the customs returns do not show that; and to make a comparison between Belle River and Windsor is absolutely absurd.

Mr. MEIGHEN: What would the minister compare Belle River with?

Mr. KING (Kootenay): I would not compare them.

Mr. MEIGHEN: There is not a vessel inland or seagoing that comes in or goes out. As to rum running vessels, they are "ships that pass in the night." They do not register.

Progress reported.

YUKON QUARTZ MINING BILL

On the Order.

Second reading of Bill No. 6, respecting Quartz Mining in the Yukon Territory.—Mr. Black (Yukon).

Mr. SPEAKER: Objection is taken to the fact that the bill is not printed in French, and, of course, I shall have to enforce the rule. I hear no objection.

Mr. STEWART (Argenteuil): If the hon gentleman will allow this bill to stand until Monday, I shall be very glad. I want to get some information in respect to it.

Mr. MEIGHEN: I should not think that there would be any chance of its being reached on Monday. The Speaker's ruling is correct, and if there is any objection taken the hon. member cannot go on. In the case of public bills and orders, if an hon. member loses his chance during the first few weeks of the session it is practically hopeless for him to get an opportunity of proceeding. I hope the House will not insist on the rule.

Mr. STEWART (Argenteuil): If the bill is gone on with it will involve some opposition, and I desire to have an opportunity of looking into it.

Mr. MACKENZIE KING: The bill was not handed in until the last moment, and as it has not yet been translated objection was taken yesterday by some hon. members to its being proceeded with. I think it should stand.

Motion stands.

DIVORCE

EQUALITY OF GROUNDS FOR RELIEF AS BETWEEN THE SEXES

The House resumed from Wednesday, March 19, the debate on the motion of Mr. Shaw:

That, in the opinion of this House, legislation should be introduced in order to place the wife on an equality with the husband as regards the grounds upon which divorce may be obtained.

Mr. WILLIAM IRVINE (East Calgary): The resolution is so reasonable that I think the House should pass it without very much more discussion. I was very much surprised the other day to find that a considerable number of hon. gentlemen objected to it on the ground that divorce would be much more easily obtainable if the resolution were passed and legislation were introduced in harmony with it. Those who listened to the argument as advanced by the mover of the resolution (Mr. Shaw) will be convinced, I think, that there is no reason for anxiety in that regard. All that is asked is simply that women be placed exactly on an equality with men with respect to the granting of divorces. There seems to be no real room for argument against the motion. There is one point I wish to mention. In this regard the province of Alberta, and I think the provinces of Manitoba and Saskatchewan as well, are in a position of considerable difficulty; they have not the same rights as the provinces of Quebec aind Ontario. I do hope that the House will pass the resolution without further discussion.

[Mr. Irvine.]

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): When this matter was last under consideration some fear was expressed that if it were introduced in the form of a bill and put among the public bills and orders it might not be reached. But in order that there might be an opportunity for full discussion I suggested—and I think the suggestion was accepted—that the resolution be dropped on the assurance of the government that if a bill were introduced it would be reached in due course.

Mr. JOS. T. SHAW (West Calgary): The arrangement which I had with the Minister of Railways was substantially as has just been stated by him. We both contemplated that the resolution would not be reached, and in view of the fact that some suggestion had been made that the matter should be put in the form of a public bill and so introduced, I then proposed to the minister that if he would give me an assurance that it would receive consideration in that form, despite the fact that it woud be among Public Bills and Orders, I would have no objection to presenting it as a bill. In view of the fact that the minister gives such an assurance I have no objection to withdrawing the resolution. I want it understood, however, that the motion is withdrawn on the understanding that when the bill which I shall introduce comes up for second reading I shall have an opportunity, before the end of the session, of pressing that reading.

Resolution withdrawn.

On motion of Mr. Mackenzie King the House adjourned at 9.40 p.m.

Monday, March 24, 1924

The House met at three o'clock.

LIBRARY OF PARLIAMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That a message be sent to the Senate to acquaint their Honours that this House has appointed Messrs. Beaubien, Béland, Carmichael, Deslauriers, Euler, Garland (Carleton), Gauvreau, Good, Gouin (Sir Lomer), Hopkins, King, Mackenzie (York), Lapointe, Lovett,

Meighen, Pritchard, Robinson, Ross (Kingston), Sheard, Sinclair (Oxford), Steedsman, and Walsh, a Committee to assist His Honour the Speaker in the direction of the Library of Parliament, so far as the interests of the House of Commons are concerned, and to act on behalf of the House of Commons as Members of a Joint Committee of both Houses on the Library.

Motion agreed to.

PRINTING OF PARLIAMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That a message be sent to the Senate to acquaint their Honours that this House will unite with them in the formation of a Joint Committee of both Houses on the subject of the Printing of Parliament, and that the Members of the Select Standing Committee on Printing, viz: Messrs. Baldwin, Charters, Chevrier, Coote, Euler, Fansher, Gauvreau, Hocken, Humphrey, Jones, MacKelvie, McConica, Malcolm, Marcil (Bonaventure), Michaud, Murdock, Preston, Prévost, Raymond, Rinfret, Robichaud, St. Père, and Thurston, will act as Members on the part of this House, on the said Joint Committee on the Printing of Parliament.

Motion agreed to.

HOME BANK INQUIRY

On the Orders of the Day.

Right Hon. W. L. MACKENZIE KING (Prime Minister): My attention has been drawn to the fact that when I replied to the request of the right hon. leader of the opposition (Mr. Meighen) to lay on the Table of the House a copy of the Order in Council amending the Order in Council respecting the Home Bank inquiry, I did not at the same time lay on the Table of the House the original order respecting the appointment of the commission to inquire into the Home Bank failure; I therefore beg to lay this order on the Table.

THE PULPWOOD COMMISSION

On the Orders of the Day.

Hon. J. A. ROBB (Acting Minister of Finance): On Friday last the right hon. leader of the opposition (Mr. Meighen) inquired whether the members of the Canadian Royal Pulpwood Commission had gone to Washington. I have received a message from New York which reads—

Your wire 21st, Chairman Picard, Deputy Chairman Anstie and self came here informally to consult well informed men on statistics and other matters relevant inquiry. Also to check up some opinions expressed during inquiry. Have not been and do not intend going Washington, as majority of points cleared up here. Fully expect return Ottawa Monday noon.

This is signed by the secretary Mr. E. H. Finlayson.

REDISTRIBUTION BILL

On the Orders of the Day.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I wish to ask the government what their intention is in reference to the Redistribution Bill and when the appointment of a committee to deal with such bill, if such be the intention, shall be made. No time should be lost.

Right Hon. W. L. MACKENZIE KING (Prime Minister): It is the intention of the government to have the second reading of the bill this week, probably to-morrow or the day after.

PRIVATE BILLS

SECOND READINGS

Bill No. 14, to incorporate the Roman Catholic Episcopal Corporation of Prince Rupert.—Mr. Stork.

Bill No. 15, respecting the Canada Southern Railway Company.—Sir Henry Drayton.

Bill No. 16, respecting the Detroit River Tunnel Company.—Sir Henry Drayton.

Bill No. 17, respecting The Montreal, Ottawa and Georgian Bay Canal Company.—Mr. Clark.

Bill No. 18, respecting a certain patent of The Fleischmann Company.—Mr. Jacobs.

Bill No. 19, respecting the Canadian Pacific Railway Company.—Mr. Jelliff.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

ORIENTAL IMMIGRATION

Mr. NEILL:

1. How many Chinese have entered Canada since the passing of the Chinese Immigration Act, 1923, which was assented to on the 30th June last, up to the 31st day of January, 1924?
2. Of those entering, how many came (a) as students; (b) as merchants; (c) in any other capacity?
3. How many Japanese entered Canada according to government returns during the year 1923, and from what ports did they leave?

Hon. Mr. ROBB: 1. 455. Section 41 of the Chinese Immigration Act. 1923, provided that Chinese en route to Canada, who presented themselves within three months of the date of the passing of this act (June 30, 1923) and who were admissible under the provisions of the Chinese Immigration Act, should be permitted to enter Canada upon payment of the tax, or exempt, as the case might be. Of the above number, 483 applied for admission to Canada prior to that date, i.e., before September 30, 1923.

2.

	Admitted under Chinese Immigration Act, 1923			Admitted under Chinese Immigration Act	Total
	Under sec. 5	Temporarily under Sec. 9			
		New arrivals	Prior residents		
(a) Students	5	1	2	.....	8
(b) Merchants	.....	.....	2	5	7
(c) 440, as follows:—					
Actors	.....	.....	1	.....	1
Clergymen	.....	.....	.....	1	1
Clergyman's wife	.....	.....	.....	1	1
Clergymen's sons	.....	.....	.....	2	2
Clerks	.....	.....	.....	1	1
Farmer	.....	.....	1	.....	1
Housewives	.....	.....	.....	13	13
Infants	.....	.....	.....	1	1
Labourers	.....	.....	4	7	11
Merchants' wives	.....	.....	.....	7	7
" sons	.....	.....	.....	20	20
" daughters	.....	.....	.....	3	3
School boys	.....	.....	.....	377	377
Servant to Consul	1	.....	.....	.....	1
Total	6	1	10	438	455

3. 404. They sailed from Yokohama and Kobe.

SOLDIER SETTLEMENT LANDS

Mr. COOTE:

1. How many acres of land in each province now have been transferred by the Department of Interior to the Soldier Settlement Board?

2. What amount, if any, has been paid by the board to the Department of Interior for said lands?

Hon. Mr. STEWART (Argenteuil):

1. (a) Dominion lands transferred (patented) by Department of Interior to the Soldier Settlement Board of Canada, up to the 10th March, 1924. (Approximate Area.)

Province	No. of acres
Manitoba	39,570.50
Saskatchewan	77,964.92
Alberta	100,735.50
British Columbia	6,190.20

(b) School lands sold (patented) by Department of Interior to the Soldier Settlement Board of Canada.

Province	No. of acres
Manitoba	14,778.67
Saskatchewan	123,129.20
Alberta	11,619.81

(c) Dominion lands reserved (unpatented) by Department of Interior for the Soldier Settlement Board of Canada up to the 10th March, 1924. (Approximate Area.)

	Acres
Porcupine forest reserve	221,175
Riding Mountain forest reserve	172,200

[Mr. Robb.]

(d) Dominion lands covered by soldier grant entries 1,391,680

(e) Dominion lands granted to soldiers as homesteads 755,840

2. (a) Amount paid account Dominion lands.

Province	Amount
Manitoba	$270.60
Saskatchewan	151.50

(b) Amount paid account school lands.

Province	Amount
Manitoba	$ 174,923.21
Saskatchewan	1,754,294.58
Alberta	177,012.79

CANADIAN NATIONAL RAILWAYS—FINANCIAL STATISTICS

Sir HENRY DRAYTON:

1. What is the gross amount earned by the operation of the Canadian National Railway system for the year ending December 31, 1923?

2. What is the gross amount earned by operation in United States territory during the said year and to what extent is the total gross amount earned increased by such operation in United States territory over the figures for 1922?

3. What amount representing freight rates charged on traffic of the system or any part thereof is included in the gross amount earned by the operation of the said Year 1923?

4. What were the total operating expenses and the amount expended for maintenance in total and per mile in the said year 1923?

5. What were the total capital charges of the system including unfunded debt and bank overdrafts (a) at the end of December, 1923, and (b) at the end of December, 1922?

Hon. Mr. GRAHAM:

1. $254,926,456.04.

2. Total operating revenue for year 1923, $38,348,280.15; increase over year 1922 was $7,351,599.75.

3. Amount included in total operating revenues representing freight charges on company material of the system was, $791,216.08.

Note: All revenues on inter-system company material which is used in operation is included as a part of operating expenses and to that extent cancels the revenue thereon shown in the revenue account.

4. Total operating expenses of Canadian National Railways for year ending December 31, 1923, was $234,689,892.95; amount expended for maintenance of way and structures, $44,781,775.95; maintenance per mile of road, $2,050.05.

5. The total capital charges of Canadian National Railways at close of December 31, 1923, and December 31, 1922, were as follows:

	1923	1922
(a) Held by public.. ..	$ 812,724,537 41	$ 801,282,070 74
(b) Pledged..	146,601,212 94	153,700,706 28
(c) Held in treasury..	42,427,123 06	52,249,516 38
(d) Held by system companies..	72,557,312 10	72,557,312 10
*(e) Held by Dominion government..	1,022,099,301 97	955,994,170 65
(f) Held in sinking funds..	286,000 00	286,000 00
	$2,101,695,487 48	$2,036,069,776 15

*Includes appropriations for Canadian Government Railways including operating deficits thereof from January 1st, 1921, only.

CANADIAN NATIONAL RAILWAYS—HOME BANK DEPOSIT

Sir HENRY DRAYTON:

1. Were moneys of the Canadian National Railways placed on deposit in the Home Bank of Canada on or about May 28, 1923?

2. If so, to what amount?

3. Was this amount still on deposit on June 1, 1923, in the said bank?

4. Were the books of the said bank closed for the year on that date (June 1st) and submitted to the shareholders at the Annual Meeting as exhibiting the position of the bank resulting from the year's operations?

5. On the said showing so made, was a dividend on the bank's stock declared? If so, to what amount?

6. Were the said moneys of the Canadian National Railways drawn from deposit shortly after June 1, 1923? If so, on what date?

7. Was the deposit of the said amount in the said bank authorized by the directors of the Canadian National Railways? If so, when and by what directors?

8. Whose signatures were signed to the cheque or cheques on other banks covering the said amount of said deposit or was such deposit made in cash?

9. Was such cheque or cheques before being issued submitted to any auditor or auditors for authorization?

Hon. Mr. GRAHAM:

1 and 2. Deposit of $1,000,000 agreed to May 21; voucher dated May 25; receipted for by Home Bank, May 28.

3. Yes.

4 and 5. The annual report of bank, as filed with the government, shows that the directors declared a dividend of 7 per cent on operations of the year ending May 31, such dividend being declared on profits and not determined by the deposit of May 28.

6. On June 2, 1923, the deposit was transferred, on request of the management to the Bank of Montreal.

7. Authorization would have been secured in due course at the June meeting of the board had deposit remained with the Home Bank. The matter was broached by Mr. Gough at the conclusion of the May meeting of the board, but did not come before the directors. Pre-authorization of such matters is not customary.

8. The cheque was signed by J. A. Yates, General Treasurer, and C. D. Cowie, Assistant to the Financial Vice-President.

9. Vouchers covering this transaction were duly approved by the heads of the accounting department and recorded in the accounting and cash records.

Mrs. MARY ELLEN SMITH

Mr. BLACK (Yukon):

1. Was Mrs. Mary Ellen Smith, Liberal member of the Legislative Assembly of British Columbia, sent to England in the employ of the Dominion government? If so, when, in what capacity and upon what terms?

2. What is the total amount paid said Mrs. Smith for salary, allowances, expenses or otherwise?

3. Is it the intention of the government to further employ said Mrs. Smith? If so, when, for what purpose and on what terms?

Hon. Mr. ROBB:

1. Yes. July 16, 1923. To give series of lectures on Canada; $200 per month and expenses.

2. $1,967.59.

3. Question for future consideration.

WAR PENSIONS

Mr. BLACK (Yukon):

Is it the intention of the government to increase the amount of pensions now paid to former members of His Majesty's forces, their widows and dependents, by the amount of the bonus now paid in addition to pensions, making the permanent pension equal to present pension plus bonus?

Hon. Mr. BELAND: The answer is: Under consideration.

EXPERIMENTAL TOBACCO FARMS

Mr. SEGUIN:

1. What are the names of the superintendents and assistant superintendents of the experimental tobacco farms and stations in the Dominion?

2. What salary is paid to each, and what are the respective dates of appointment?

Hon. Mr. MOTHERWELL:

1 and 2. Farnham, Que.—J. E. Montreuil, superintendent, salary, $2,400; date of appointment, March 3, 1919. J. R. Cossette, assistant to superintendent, salary, $1,500; date of appointment, March 24, 1923. Harrow, Ont.—D. D. Digges, superintendent, salary $2,460; date of appointment, Januaary 12, 1915. O. G. Williams, assistant to superintendent, salary, $1,620; date of appointment, July 1, 1921. The farm at Harrow, Ont., was formerly used as an experimental tobacco station but is now a regular experimental station.

FRUIT MARKS ACT

Mr. PORTER:

1. How many convictions have been made during the years 1919 to 1924, inclusive, for breaches of the Fruit-Marks Act in Ontario?

2. What is the name of the person or persons convicted, and what penalties were imposed?

Hon. Mr. MOTHERWELL:

1. 40.

2.

Name	Fine
D, Cantelon, Clinton	$25
David Robertson, Beamsville	10
Richard S. Martin, Winona	10
Norman Hallman, Niagara	10
Stephen Dudley, Colborne	10
David Coyle, Colborne	25
Jas. Coulson, Grimsby,	Suspended sentence
William Filman, Aldershot	$10
J. W. Nash, Stoney Creek	10
G. Philp, Beamsville	10
W. L. Fraser, Forest	10
Mrs. Charles Bondi, Wingham	75
Charles Bondi, Wingham	10
E. Brown, Port Hope	10
John Cole, Aberfoyle	10
Thomas Cook, Clinton	10
Coyle & Floyd, Colborne	40
Coyle & Floyd, Colborne	50
John Drury, Stoney Creek	10
J. R. French, Melville	10
A. E. & F. W. Rundle, Courtice	10
B. H. Coyle & Son, Colborne	50
B. H. Coyle & Son, Colborne	50
B. H. Coyle & Son, Colborne	50
W. H. Brown, Colborne	10
A. Cantelon, Clinton	10
Thomas Cook, Clinton	50
Coyle & Floyd, Colborne	25
W. E. Eakins, Colborne	15
A. Drury, Winona	10
W. Squires & Son, Glencoe	10
A. Alyea, Curries	10
R. M. Cale, Bowmanville	20
Elisha Farr, Simcoe	10
F. C. Jones, Beamsville	10
Matthews Bros., Colborne	10
Nathan Zegar, Toronto	25
D. W. Coyle & Son, Colborne	10
W. J. Huycke, Warkworth	10
J. I. Graham & Son, Markdale	10

INCOME TAXES

Mr. GOULD:

1. Has the government lost revenue on account of allowing individuals and corporations to pay income taxes on the instalment plan on account of such individuals or corporations leaving the country?

2. If so, how much was lost in this way in each of the respective years of 1920, 1921 and 1922?

3. Does the government still allow or grant such privilege to persons or corporations?

Hon. Mr. ROBB:

1. Accurate information not available but it is reasonable to assume no loss has been sustained.

2. Answered by No. 1.

3. Yes, under authority of section 7 of the Income War Tax Act, 1917, as amended 1920.

DUTY ON WHEAT

Mr. GOULD:

1. Is there a duty imposed upon Canadian wheat entering Japan?

2. If so, what is the duty and when was it imposed?

3. Prior to the said duty being imposed, was the Canadian government given notice?

Hon. Mr. STEWART (Argenteuil) (for the Minister of Trade and Commerce):

1. Yes.

2. A duty of 77 sen per 100 kin, i.e., 29 cents per 100 pounds, was imposed on wheat from all foreign countries, including Canada, by the Japanese customs tariff law which became effective on July 17, 1911. This duty has been suspended at certain times, the last suspension having been by Imperial ordinance of September 17, 1923. Wheat was then made exempt from duty until March 31, 1924, but an amending ordinance was enacted on February 26, 1924, which restored the ordinary duty on wheat from that date, except that provision was made for exempting from duty until March 31, 1924, wheat contracted for before the date of the amending ordinance, or which was at that time en route to Japan.

3. On February 29, 1924, the Consul General of Japan in Canada advised the Department of Trade and Commerce of the passing of the

amending ordinance of February 26. This information was published in the Commercial Intelligence Journal of March 8, 1924.

SALES TAX—EXEMPTIONS

Sir HENRY DRAYTON:

1. What, if any, articles or commodities have been exempted either in whole or in part by order in council or otherwise from the consumption or sales tax, since July 1, 1923?

2. Have applications for exemptions of other articles or commodities from such sales tax been made and refused?

3. If so, what are such articles or commodities?

4. Have applications for exemptions of other articles or commodities from such sales tax been made and are not yet disposed of?

5. If so, what are such articles or commodities?

Hon. Mr. ROBB:

1. Barley meal.

Usual coverings to be used exclusively for covering goods not subject to the consumption or sales tax; materials to be used exclusively in the manufacture of usual coverings to be used for covering goods not subject to the consumption or sales tax; woollen rolls or wool yarn milled for a producer of wool from such wool supplied by him for his own use; articles admitted to free entry under Customs Tariff item 692; goods enumerated in Customs Tariff item 139; bakers' cake and pies, not to include biscuit.

Printing paper for use exclusively in producing newspapers and quarterly, monthly and semi-monthly magazines, weekly literary papers unbound, hymn books, religious tracts and Sunday school lesson pictures—reduced by fifty per cent, on the amount of consumption or sales tax.

2 and 4. Applications have been made and are under consideration.

3. and 5. Baking powder, barrels, books, biscuits, candy, penny and five cent bar candy, coffee, roasted and ground, cut flowers and potted plants, confectionery, corn syrup, dextri-maltose, granulated wheat flour, hospital supplies, insulin, ice cream, liquid eggs, meat scrap and meat and bone scrap, manufacturers' mail order catalogues, house organs, magazines, memorials, multigraphing, news print, packages, parchment, leather aprons, paper tubes, wool felt, machinery repairs, etc., used in botany yarn industry, raw materials of magazine publishers, religious publications, rolled oats and molasses mixed, shredded wheat, school books, soap, spray or other materials used in the control of pests, macaroni and vermicelli, extract of rennet.

SINGAPORE NAVAL BASE

Mr. CHURCH:

1. What correspondence, if any, was exchanged with the government of Great Britain or other overseas dominions regarding the Singapore Naval Base and its continuation?

2. What position did the government of Canada take on the question?

3. Will the government lay the papers herein on the Table?

4. Will a time be set by the government for a discussion by this House of the resolution adopted and laid before the Imperial Conference, 1924? If so, when?

Right Hon. Mr. MACKENZIE KING:

1. The government of Canada has had no communication with any of the other overseas dominions on this subject, excepting such communications as took place at the Imperial Conference. This matter was discussed at the Imperial Conference, and such reference as it was thought advisable to make thereto is contained in the report of the Imperial Conference at page 17. The pertinent paragraph is the following. After quoting certain principles in accordance with which defence should be carried out, section 4 reads:

> In the application of these principles to the several parts of the Empire concerned the conference takes note of:—
>
> (a) The deep interest of the Commonwealth of Australia, the Dominion of New Zealand, and India, in the provision of a naval base at Singapore, as essential for ensuring the mobility necessary to provide for the security of the territories and trade of the Empire in eastern waters.

Such correspondence as has taken place with the British government since the conference has related to the form in which an announcement on this subject should be made in the British parliament. I do not think it would be in the public interest to place that correspondence on the Table. There is nothing really confidential about it, but it is, I think, of such a character that the British government would not wish to have it made public at this time. I have, however, in my hand copies of the correspondence, and I propose to pass them over to the right hon. leader of the opposition (Mr. Meighen), who might look them over and show them to any of the members of his following who may wish to see them. I would ask also that they be shown, upon a like understanding to the leader of the Progressive party (Mr. Forke).

2. I think at the moment it is not advisable to say more than is in the report of the proceedings of the Conference but I have no objection to stating the position taken by the government at any time the matter may come up for discussion in the House.

3. I have answered this question by handing copies of the correspondence to the right hon. leader of the opposition.

4. Matters relating to the Imperial Conference might, I think, be best taken up when the House is considering the estimates of the

Department of External Affairs. That would give ample opportunity for a discussion of all phases of the conference. As probably the House would like to take up these matters at an early date, I shall endeavour to arrange to have these estimates brought on at an early period of the session.

GRAND BEND PIER

Mr. DRUMMOND:

1. What repairs were made to the pier at Grand Bend, Ontario, in 1923?
2. What was the cost of said repairs?
3. Were the said repairs done by tender?
4. If not, how was the work done?
5. Who was the contractor, and what is his address?
6. Was the said work passed by a government inspector or official?
7. If so, what is the name of said inspector?

Hon. Mr. KING (Kootenay):

1. Twelve new round piles driven around south guard pier and two rows new waling placed, one at water level and one 4½ feet above water level, and also general repairs to decking on north pier.
2. $1,099.70.
3. No.
4. Day's labour.
5. Answered by No. 4.
6. Yes; District Engineer H. B. R. Craig, London, Ont.
7. Answered by No. 6.

QUEBEC-ORLEANS FERRY SERVICE

Mr. LAVIGUEUR:

1. Does the "Compagnie de Navigation Maritime Industrielle," of Levis, which performs the ferry service between Quebec and the Island of Orleans, receive any subsidy?
2. If so, what is amount of subsidy, and why is it paid?

Hon. Mr. COPP:

1 and 2. No, but a subsidy of $4,250 per season is paid to the Quebec and Levis Ferry Company to carry mails six times per week each way between Quebec and the Island of Orleans from the close of navigation each year until the completion of the ice-bridge road, and from the breaking up of the ice-bridge road until the opening of navigation each year.

R.C.M.P. OFFICER, POINTE-AU-PIC

Mr. CASGRAIN:

1. What is the name of the Royal Canadian Mounted Police officer who was stationed at Pointe-au-Pic, Charlevoix county, last summer?
2. How long did he stay there?
3. What was his salary?
4. By whom was he paid?
5. At whose request and upon what instructions was he sent there?
6. Has he made a report to the Department of Justice?
7. If so, what was the nature of said report?

Hon. Mr. LAPOINTE:

1. Constable James A. Acheson.
2. From the 8th July, to the 9th September, 1923.
3. That of an ordinary constable, namely, $2.10 per diem.
4. By the Royal Canadian Mounted Police Department.
5. At the request of the Department of Marine. He was sent to Pointe-au-Pic by the Commissioner of the Royal Canadian Mounted Police.
6. No, he made a report to the Commissioner of the Royal Canadian Mounted Police.
7. Constable Acheson reported that after some difficulty with the cab and taxi drivers, who up to the time of his arrival, had been in the habit of forming a blockade at the head of the slip-way leading to the boats making it almost impossible for passengers to leave the dock by any other method than taxi or carriage, he had succeeded in having a system adopted by which satisfactory order was maintained at the dock.

PACIFIC CABLE BOARD

Right Hon. Mr. MEIGHEN:

1. Who is the Canadian representative on the Pacific Cable Board?
2. When was he appointed?
3. Have these duties not been performed in the past by the Canadian High Commissioner?
4. If so, why has change been made?

Right Hon. Mr. MACKENZIE KING:

1. Lucien T. Pacaud and Sir Campbell Stuart, K.B.E.
2. Mr. Pacaud appointed January 15, 1923; Sir Campbell Stuart appointed August 14, 1923.
3. Sir Campbell Stuart was appointed in succession to Mr. William L. Griffith, following the latter's retirement from the Office of Secretary of the High Commissioner. Mr. Pacaud was appointed in succession to Mr. Alexander Lang.
4. Answered by the answer to No. 3.

GRAND TRUNK SHAREHOLDERS

Right Hon. Mr. MEIGHEN:

1. Were members of the government interviewed by, or on behalf of, holders of Grand Trunk preferred or common shares in England during the past year?
2. If so, what commitments or intimations were made by the Prime Minister, or by any other member of the government to such shareholders which, in certain contingencies, could be used as a basis for advancing claims on their behalf in the future?

Right Hon. Mr. MACKENZIE KING:

1. Yes.

2. No commitments or intimations of the nature suggested were made by the Prime Minister or any member of the government in England. The government's position is set out in the letter of the Hon. G. P. Graham (Minister of Railways and Canals), dated February 7, 1924, of which a copy is tabled herewith.

The letter tabled is as follows:

[February 7, 1924

Dear Sir:

I am now in a position to write you concerning the representations made to the Canadian ministers at the Ritz Hotel, London, on November 5 last, which were to be further considered on our return to Canada. I would have written sooner, but desired to discuss the matter further with my departmental advisers, and also with my colleagues in council, and, as you are no doubt aware, the return to Canada of the Deputy Minister, Major Bell, was unavoidably delayed until quite recently. The position of the Grand Trunk shareholders is admittedly most difficult and unhappy, and it is not without feelings of sympathy for their unfortunate plight that my colleagues and I have again reviewed the circumstances leading to the acquisition of the property. It is beyond question that such arrangements as were made to effect the transfer were considered by all concerned to be the best solution that could at that time be determined. As things turned out, it would no doubt have been infinitely better for the shareholders had the previous management accepted the original offer of the government of rental in perpetuity based upon the average dividends of the ten-year period preceding 1917. That offer was made at a time when no question had arisen concerning the propriety of certain of the dividends paid during that decade; and made also despite the fact that the Drayton-Acworth commission had publicly reported that there was neglect of the physical property in the interest of dividend declarations. It was made also in the face of the default of the Grand Trunk's subsidiary in respect of the lease of the Transcontinental railway. That the former Grand Trunk management failed to take advantage of that offer clearly cannot be charged to the Canadian government. It is now very evident also that, the delay of the former management in facing an inevitable situation also was most detrimental to the shareholders. Negotiations were deferred until the Grand Trunk Pacific was plunged into actual, and the Grand Trunk dragged into virtual, bankruptcy. This, as it turned out, was the determining factor in the award of the arbitrators—the only difference among the three being Chief Justice Taft's view that the Grand Trunk, if left alone, would eventually have recovered. That view was problematic, was opposed to the ascertained facts, and was based upon the disregarding, by the Canadian government, of the Grand Trunk's unfortunate connection with the Grand Trunk Pacific.

After declining a proposition which was clear cut and definite, involving no uncertainty, such as arbitration, the management agreed, and the shareholders ratified, an arrangement by which the value, "if any," of the preference and common shares should be arrived at. There was contest over the inclusion of the words "if any" in the agreement because it implied that no value might possibly be found. The management was, therefore, aware that there was question as to whether, under all the circumstances, value might be found. The shareholders assert that the award of the arbitrators was based upon the situation of the Grand Trunk as of one certain day—the date of the assumption by the government of financial responsibility. As a matter of fact, the award was based upon a survey of affairs of the company and its subsidiaries, covering a long period of time, and of the troubles and difficulties which culminated in the agreement finally reached. It was an agreement containing the following clause:

"Grand Trunk Pacific guarantee and claims,—For the purpose of the valuation provided in this agreement, the obligations of the Grand Trunk as guarantors of any indebtedness of the Grand Trunk Pacific Railway Company, or of the Grand Trunk Pacific Branch Lines Company, or otherwise, and the claims of the Dominion of Canada, against either of the above-mentioned companies, or against any company forming part of the Grand Trunk Railway System, shall not be treated as extinguished or affected by anything contained in the said Act."

After ratifying such an agreement, the shareholders now contend that it should not be enforced, because its enforcement would—in fact, has—wiped out their equity in the property. Recognizing this, the late chairman made a plea for compassionate consideration. Your committee go further and claim (public advertisement in the Citizen, of Ottawa) that "the question of the value of the equity was not settled, and has not been settled yet." To concede such a contention it would be necessary to disregard in toto the conclusions reached as a result of an extended and costly arbitration, confirmed on appeal on a point of law by the Imperial Privy Council.

On this suggestion of equity, the committee's proposal that the shareholders should be permitted the right to participate in future Grand Trunk earnings is no doubt based. To concede such a claim would be to nullify the arrangement under which the value of the stock was ascertained, and, in so far as it was declared to be worth nothing, vested in the Crown by order-in-council, under clause 13 of the acquisition agreement. Since the road was taken over, the Canadian taxpayer has had to provide more than a hunlred millions of new capital. Because of the provision of this capital, with consequent improvement of road and equipment the Grand Trunk to-day, under reorganized and resident management, is not the Grand Trunk of yesterday under the former management. It is now in a much stronger position and working in close harmony with, instead of competing against, other railways now comprising the National system. In the future earnings of this rehabilitated railway the former shareholders claim the right to participate. In other words, the Canadian taxpayer must find the means to make the road successful—for the benefit of the former shareholders!

It may be urged that recognition of the former shareholders might well be a charge on the railway and not necessarily on the taxpayer. The present management would quite naturally expect to have some say as to such a proposition. Public opinion in Canada is insisting not only on a reduction of taxation, for much of which railway requirements have been responsible, but is demanding as well the scaling down of interest charges which press so heavily upon the management. The scaling down of interest charges could only be effected by writing off loans and advances made by the government to formerly privately-owned roads. Thus, the government is being urged on the one hand to forego any prospect of future interest, and, on the other, to increase its already heavy burden by the reinstatement of former Grand Trunk shareholders to participating rights in future earnings.

I have gone more fully into the question than I intended as I am most anxious that you should have a clear conception of the difficulties with which the

Canadian Government and the Canadian people are faced at this time, and of the circumstances which make it impossible to comply with the request on behalf of the former shareholders for recognition of an equity or the right of participation in future Grand Trunk earnings.

Believe me, dear Sir,
Faithfully yours,
GEORGE P. GRAHAM.

F. B. Lacy, Esq.,
Honourary Secretary,
Grand Trunk Junior Stockholders
Protection Committee, Limited,
325 Winchester House, Old Broad St.,
London, E.C., England.]

COL. O. F. BROTHERS

Mr. RYCKMAN:

1. Was Colonel O. F. Brothers in the employ of or paid directly or indirectly by the government of Canada in the year 1923?
2. If so, for what services was he so paid?

Hon. Mr. ROBB:

Department of Immigration and Colonization.

1. Yes.
2. For publicity work.

SACKVILLE PUBLIC BUILDING

Mr. DOUCET:

1. Is the work on the Public Building at Sackville, New Brunswick, being performed under contract or by day labour?
2. If by contract, who is the contractor, and what is contract price?
3. If by day labour, under what management and under what terms and conditions?

Hon. Mr. KING (Kootenay):

1. By contract.
2. E. F. Powers Construction Co., St. John, N.B. $29,802.55.
3. Answered by No. 1.

MONEY ORDERS

Mr. ARTHURS.

1. Has any regulation been passed regarding the hours at which money orders are payable at post offices in Canada?
2. If so, when was such regulation passed, and what are the hours?

Hon. Mr. STEWART (Argenteuil) (for the Postmaster General):

1 and 2. Rule 13 in Book of Instructions for Postmasters in charge of Accounting Post Offices, which is of many years standing and is still in force, reads as follows:

(a) At offices in cities, from 8 a.m. to 6 p.m., and later when so directed by the department.

(b) At offices in towns and villages where banks are situated, from 8 a.m. to 6 p.m., and later if so required by the Post Office Inspector.

(c) At offices in places where no bank agency is established, from 8 a.m. to 7 p.m., or at such hours as the Post Office Inspector of the division may direct.

CANADIAN NATIONAL RAILWAYS—ROLLING STOCK

Mr. ROSS (Kingston):

1. How many cars and locomotives were built in United States for the Canadian National Railway System?
2. How many cars and locomotives were built in Canada for United States Railways?

Hon. Mr. GRAHAM: Hon. gentlemen will see that no dates are attached to this question. The full answer up to last year will be found in the statement of the Minister of Railways in Hansard of last year. In a very few days I hope to have a statement compiled for this year.

Mr. SPEAKER: Does this question stand?

Mr. GRAHAM: I have answered it as fully as I can now.

UNOPPOSED MOTIONS FOR PAPERS

PUBLIC PRINTING AND ADVERTISING

Mr. McQUARRIE:

For a return showing all moneys paid to newspapers in Canada for printing and advertising since January 1, 1923, showing the names of the companies and the amounts paid each newspaper or newspaper company.

IMPERIAL CONFERENCE—CANADIAN REPRESENTATION

Mr. RYCKMAN:

For a return showing the names of all persons who acted in the service of, or as advisers to, Canadian representatives at the recent Imperial Conference and Imperial Economic Conference in 1923, together with the sum paid to each for such service and for expenses.

MR. CHARLES BLAKE

Hon. Mr. MANION:

For a copy of correspondence dated July 14, 1922, and July 28, 1922, respectively; and addressed from Charles Blake, barrister, of Brandon, Manitoba, to the Minister of Justice, relating to the withdrawal of professional work for the government service formerly performed by the said Charles Blake; and copies of the replies of the Minister of Justice to the letters mentioned above.

BUCTOUCHE BAY

Mr. DOUCET:

For a copy of all correspondence, telegrams, engineering reports, estimates of cost and other documents in connection with the proposed public wharf at Buctouche bay, Kent county, New Brunswick.

DESPRES ROAD, N.B.

Mr. DOUCET:

For a copy of all correspondence, letters, telegrams and other documents relating to the closing of the post office at Despres Road, Kent County, New Brunswick.

PUBLIC BUILDING AT BUCTOUCHE

Mr. DOUCET:

For a copy of all correspondence, letters, telegrams, engineering reports, estimates and other documents relative to the proposed public building at Buctouche, Kent County, New Brunswick.

PROPOSED BRANCH-BUCTOUCHE-RICHIBUCTO

Mr. DOUCET:

For a copy of all correspondence, letters, telegrams, engineering reports, estimates of cost and other documents relative to the proposed railway branch line between Buctouche and Richibucto, in the county of Kent, New Brunswick.

NEW BRUNSWICK LOBSTER FISHERIES

Mr. DOUCET:

For a copy of all correspondence, letters, telegrams and other documents exchanged between the Department of Marine and Fisheries and any person, persons or corporations, relative to the enforcement of the lobster fisheries regulations in New Brunswick, during the years 1920, 1921, 1922, 1923 and up to February 29, 1924.

NEW BRUNSWICK SMELT FISHING

Mr. DOUCET:

For a copy of all correspondence, letters, telegrams and other documents to and from the Department of Marine and Fisheries relating to the extension of Smelt Fishing in New Brunswick during the season 1923-1924.

THE JEANNE D'ARC

Mr. DOUCET:

For a copy of all correspondence, letters, telegrams, reports and other documents in possession of the government relative to the seizure and release of the vessel Jeanne d'Arc for infringement of Customs laws.

GREAT LAKES FREIGHTS

Mr. MacKELVIE:

For a copy of all correspondence, letters, telegrams and other documents passing between the government and American vessel owners, or vessel owners' organizations, since the passing of the Inland Lake Freights Bill, and relating to the carriage of freight on the Great Lakes and the compliance or non-compliance with the provisions of such act.

SALES TAX

Hon. Mr. STEVENS:

For a return showing a copy of all orders in council or other authoritative orders or rules affecting the sales tax or making exemptions or rebates since the passing of the sales tax amendments to the War Revenue Act of last session.

IMMIGRANTS AT QUEBEC

Hon. Mr. BAXTER:

For a return of any and all reports of the Commissioner of Immigration to the Minister, upon the operation of the contract system for feeding immigrants at the port of Quebec, and also all reports and correspondence with reference to the way in which that system is functioning at that port; and also all reports and correspondence in connection with the adoption of the contract system at the port of St. John, New Brunswick, and in connection with the substitution of the system of government supply for the contract system at the latter place.

MARITIME FREIGHT RATES

Hon. Mr. BAXTER:

For a copy of all correspondence, telegrams and other documents, passing in the year 1923, between the Prime Minister or the government and the government of New Brunswick, requesting freight rate concessions to the Maritime provinces.

RICHARD FORDHAM

Hon. Mr. MANION:

For a copy of all correspondence, telegrams, letters and other documents, exchanged between any member of the government and any member of parliament or other person with regard to the appointment of Richard Fordham as junior clerk-stenographer in the Customs department at Prince Albert, Saskatchewan, together with copy of advertisements showing this position to be vacant by the Civil Service Commission; also a return showing date such advertisement was issued; date position was filled; number of applicants examined and all other details regarding said appointment.

RAILWAY EMPLOYEES' SALARIES

Mr. DOUCET moved:

For a return showing all employees of the Canadian National Railways receiving $4,000 per annum or over, with the salary of each.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): In regard to this motion, while the government does not intend taking any objection to it, I desire to draw the attention of the House to the fact that by statute, the Canadian National Railways are operated by the Canadian National Railway Board, and the response to this motion will come from that board.

Motion agreed to.

CANADIAN NATIONAL RAILWAYS—CORRESPONDENCE CONCERNING EMPLOYEES

Right Hon. Mr. MEIGHEN:

For a copy of all correspondence, letters, telegrams and other documents exchanged between any member of the government or any member of parliament and any official of the Canadian National Railways with regard to employment, seniority, retirement or dismissal of any employee of the Canadian National Railway System.

Hon. Mr. GRAHAM: Mr. Speaker, this has something to do with the Canadian National Railway Board and with members of parliament as well, and may necessitate the production of a very bulky lot of documents —at least I think my right hon. friend (Mr.

Meighen) so imagines. What I want to call his particular attention to is his use in the the third line of the words, "and any official of the Canadian National Railways." Where are we to draw the line respecting "any official?" There are thousands of men under the category of officials of the Canadian National Railways. If we can restrict the definition, I have no objection to the motion passing.

Mr. MEIGHEN: As regards the last point, I am quite agreeable that it shall apply only to district superintendents and those above them. As to the correspondence being bulky, I should hope it would not be, but I do not think the government should feel alarmed on that score. A similar motion of mine, only a little wider in its scope, was passed last session, but instead of starting with letters from members of the government and members of parliament, a lot of utterly uncalled for, minor, negligible stuff was looked up by the government—

Mr. GRAHAM: Not by the government.

Mr. MEIGHEN: It was brought down by the government. But the part which would have been comparatively small was omitted, and the session closed without the government having time to get to it; however, the chaff was all reached and the session occupied in bringing it down.

Mr. GRAHAM: Of course, Mr. Speaker, we are not supposed to debate such motions, but might I be allowed a word? My right hon. friend, I think, will find it mostly chaff.

Mr. MEIGHEN: Probably.

Mr. GRAHAM: But here is the point. When any person writes to me—as I think nearly all the population of Canada do— concerning anything on the Canadian National Railways, I transmit the letter with a note of mine to the board. Would that be considered my letter to the Canadian National Railway Board?

Mr. MEIGHEN: If it is nothing but transmission, no.

Mr. SPEAKER: Carried as amended—district superintendents and above.

Mr. MEIGHEN: Yes.

BRITISH COLUMBIA—ORE TESTING PLANT

Mr. HUMPHREY:

For a copy of all memoranda, correspondence, telegrams and other documents exchanged between the government of Canada or any of its members and other governments, corporations, or individuals, relating to the establishment of an ore-testing plant in the province of British Columbia.

[Mr. Graham..]

HOME BANK INVESTIGATION

Mr. IRVINE moved:

That, in the opinion of this House, a parliamentary committee should be appointed immediately to investigate the Home Bank failure, with a view to discovering any weaknesses in the Bank Act which may be amended to prevent a similar occurrence; to devise some means of protecting depositors generally; and to make recommendation as to the possibility of saving the Home Bank depositors from loss.

He said: Mr. Speaker, the government has requested that this resolution should stand until Thursday of the present week. I am prepared to meet the wishes of the government, on condition that this resolution will be taken up by the House on the date mentioned, and that there will be full and ample opportunity for its discussion.

Mr. MACKENZIE KING: Mr. Speaker, the understanding is as my hon. friend has stated it.

Motion stands.

ST. LAWRENCE WATERWAY

Mr. JOSEPH ARCHAMBAULT (Chambly and Verchères) (Translation) moved:

For all copy of memoranda, correspondence, telegrams and other documents exchanged between the government of Canada or any of its members and other governments, corporations or individuals, since the first of January 1922, relating to the St. Lawrence waterway route, and the establishment of dams on the St. Lawrence for the development of certain waterpowers.

You will not wonder, Mr. Speaker, if to speak of the St. Lawrence river I make use of the language of its discoverer, of the pioneers who explored it to its very sources, of the heroic toilers who settled on its enchanting banks still inhabited by their descendants. It may not, perhaps, be out of place to remind, at the outset of this debate, those who think that the history of Canada only begun in 1759, or a little later, that Jacques Cartier having sailed from St. Malo in 1535, ascended, on his second voyage, the St. Lawrence river as far as Montreal, and from 1615, the time when Champlain together with Etienne Brulé explored the St. Lawrence, the Ottawa river, lake Huron and lake Ontario, up to the time when Pierre de la Vérandrye and his sons, after his death, and Legardeur de St. Pierre, from 1731 to 1755, explored the water courses of North America, and penetrated as far as the Rocky mountains, all those routes were discovered and explored by Frenchmen, the glorious ancestors of the people of the province of Quebec.

There is nothing, Sir, to be astonished at, if, besides the material interest and sound policy for Canada to prevent the St. Lawrence river from passing into foreign hands, you find us unflinchingly determined, relying upon our veneration of the past, to resist all attempts which, in our mind, would border upon sacrilege. Therefore I was not astonished when, in the city of Sorel, the new Minister of Marine and Fisheries (Mr. Cardin) acknowledging the congratulations of his fellow-citizens, declared himself entirely opposed to this undertaking. Uncontrollable circumstances prevented me from being present at that demonstration; however, I take advantage of this present occasion to congratulate the Minister of Marine and Fisheries on his promotion to the cabinet, and, to express to him all the admiration that I have for his character, his eloquence and all the reliance that I place in him as a safeguard to the interests of the district of Montreal.

In his speech on the Address, the Hon. Minister of Justice (Mr. Lapointe) expressed himself in the following manner on the subject:

> First, no scheme will be entered into at any time as far as I am concerned, and I think it is the policy of the government, until it is clearly shown that the present level of the St. Lawrence river at all points will never be lowered as a result of the works to be carried out: second, that all rights which any of the provinces may possess will be properly safeguarded.

In view of this statement, Sir, I would have felt inclined to allow my motion to pass without adding any futher remarks; but, the day following the statement, a despatch arrived from the President of the United States notifying us that an American committee had been formed, at the head of which were Mr. Hoover and a number of other prominent persons of the United States, who according to newspapers, were all in favour of the scheme. Having come to the conclusion that this announcement took even Ottawa by surprise, I feel it is most important that all correspondence and telegrams exchanged between the two governments should be placed on the Table of the House. The correspondence already published is to the effect that the commission which will be appointed, will examine the report of the International Waterways Commission of 1921 to find out the practicability of the scheme and its cost. May I be allowed, Sir, to state that this commission is fundamentally wrong, because the Conservative government of that date, as usual, had not failed to ignore the rights of the provinces of Quebec in this commission and replaced the Hon. P. B. Mignault, who, at present is a justice of the supreme court, by Sir William Hearst, ex-Prime Minister of Ontario.

Useless to add that the Commission having no one on its board to look after the interests of the province of Quebec, these were unsparingly sacrificed in the report of the commission.

The Prime Minister stated, last Monday that the committee which would be appointed to complete the inquiry of 1921, would take no decision which would not have been previously presented to parliament to be ratified. I am sorry to say that this statement to me, is not sufficient. The present government is worthy of congratulations for its policy of economy, we notice that the estimates have been cut down this year. I state, however, that if the government wish to persevere in that policy, they must not be drawn into an undertaking like that of the deepening of the St. Lawrence waterway. I shall be more explicit, I will state that I do not approve of the proposed inquiry in connection with this scheme at the present moment. We have had some experience on the cost of inquiries. Even the initial cost such as salaries to engineers, experts and the incidental expenses of this inquiry is absolutely unjustifiable during the crisis we are passing through. If, Sir, we do our utmost to convince our electors that they are forced or obliged to retrench, if we are to preach to them self-denial, if we tell them that the government has not even the necessary money to carry out urgent works, to prevent buildings somewhat old from falling into ruins, the more so must we preach to them that the government to start with is cutting down expenditures on a large scale. I think, Sir, that I am able to prove that this scheme should be set aside immediately and this on many scores.

The first is that the cost is absolutely prohibitive, especially under the present circumstances.

The second is that the scheme is impracticable; it will not give the results expected; it will be an economic failure and a disastrous policy both for Canada and the province of Quebec.

Thirdly, I think, Sir, that it is not in the interest of Canada to undertake such a scheme jointly with the United States.

Finally, if it can be shown to us that the dredging of a deep waterway between lake Ontario and the city of Montreal is, under the present circumstances absolutely necessary and that from the economic point of

view Canada is in a position to undertake such a scheme, I state that we should then, instead of deepening the St. Lawrence, build the Georgian Bay Canal route.

If you will allow me, Sir, I shall briefly pass in review the various contentions that I have enumerated. I mentioned that the cost was prohibitive, we have not forgotten how this St. Lawrence waterway scheme started.

In 1920, a commission was appointed composed of members of both the United States and Canadian governments. This commission appointed two experts the late Mr. W. A. Bowden, Chief Engineer of the Department of Railways to represent Canada, and Colonel W. P. Wooten, an American expert to represent the United States; a report was made in July, 1921; these experts estimated the cost of the construction of the St. Lawrence canal at $253,000,000. If we add to this amount an additional $18,000,000 that the experts have stated to be necessary to bring the depth to 30 feet, and moreover the cost of the development of the water-powers on the St. Lawrence, which the experts have further estimated to cost $236,000,000 we arrive at the total amount of $507,000,000 and even this amount does not cover all the costs. A prominent American engineer, Hugh L. Cooper, stated that the cost of deepening the St. Lawrence including the deepening of the canals, the development of the water-powers. would be $1,420,000,000. He further remarked that in winter there would be but 30 per cent of the water powers that could be utilized. But this is not all, so as to make this waterway useful, in order that the deepening of the St. Lawrence may fulfil the aim in view, it is absolutely necessary that the ports on the Great Lakes be deepened in such a way as to allow ships drawing 26 to 30 feet to enter those ports. At present the mean depth of the Great Lakes is 21 feet. In order to obtain a depth of 25 or 30 feet, it would first be necessary to dredge the St. Mary's river, between lake Huron and lake Superior; the St. Clair river between lake Huron and lake St. Clair. The deepening of the Chicago harbour would cost $10,000,000. We find close to the city of Buffalo a mean depth of 10 to 15 feet and it is only three miles out of the harbour of Buffalo that there is a depth of 30 feet which is necessary to make use of this canal. That only goes to show the additional cost of this scheme, it does not include the sum which would be needed for the harbour of Toronto and those of other Canadian cities situated on the Great Lakes to allow free access to ships drawing 25 to 30 feet of water. This, Sir, will give you an idea as to the cost of this scheme.

I was calling your attention, Sir, to the fact that it would be unreasonable for the government, owing to the economic crisis we are at present passing through, to disburse money for this scheme, I brought to your attention, Sir, the fact that we found it hard to convince the citizens of this country, in our respective constituencies, that even urgent and necessary work could not be carried out because the government had not the means to do so. For my part, Sir, there is a project which affects not only my two counties but the development of the city of Montreal, and I may say the province of Quebec and the whole of Canada, it has been discussed for many years. I refer to the construction of a new bridge between Montreal and the South shore. Were I to tell you Sir that the means of communication between Montreal and the South shore are actually less than they were in 1890, you would likely be astonished; however such is the case. In 1890, to connect the city of Montreal to the South shore, there existed on the Victoria bridge two vehicle roadways of 13½ feet. There did not exist, at that time, any motor car traffic there was very little tourist traffic. In 1910, one of these roadways was kept for vehicles, the other was given to the Tramway Company, so that the only means of communication for vehicles of all kinds, between the city of Montreal and the South shore, at present, consist in a roadway of 13½ feet in width. The conditions are entirely inadequate to the amount of traffic, they are dangerous and all those who have crossed the Victoria bridge have been able to satisfy themselves as to the danger that exists in crossing this bridge and the inefficiency of the means of communication. I have no desire, Sir, in this speech of requesting the government to vote the necessary funds for the construction of a new bridge, but I am here to protest against the expenditure of fabulous amounts for a scheme of which it is impossible to foresee the results,—such as the St. Lawrence waterway,—before we undertake the useful and necessary expenditure of building a new bridge.

As a general policy, Sir, no government should spend such considerable amount unless it is first assured that this expenditure is in the interest of the country. If I clearly understand the scheme of the promoters,—and I have been receiving pamphlets favourable to the scheme since the beginning of the session,—their aim is to deepen the

St. Lawrence and the canals as far as the Great Lakes so as to allow ocean vessels to reach these lakes. I contend, Sir, that seagoing vessels, will never be able to compete successfully with ships on the Great lakes. This question was considered by the Shipping Federation Board of Canada; it was studied by a number of engineers specially conversant with the subject and the result was found to be as follows: Ocean steamers cost 80 per cent more than lake steamers; the latter have three times the cargo space with the same draught. This is easily explained: On the Great lakes you have very short waves, you are not forced to build ships with the same rigidity, the same strength, consequently you have not to lay out the same amount for construction as for the ocean steamers which are obliged to battle against much longer waves when crossing the ocean.

Now, there is one thing absolutely certain: If the ocean steamers were used to carry the wheat from the West to Montreal, they would be forced to return West without any cargo. It is a well-known economic principle, in the maritime world, that a ship which carries a cargo but one way and is obliged to return without cargo, cannot pay its way.

This is, Sir, in my opinion, one of the strongest reasons to prove the futility of wanting to have ocean vessels reach the Great Lakes.

It was stated that the construction of this waterway would bring down the cost of transportation of wheat. I see the hon. member for Qu'Appelle (Mr. Millar) in his seat. He introduced, a few days ago, a resolution, in which he contended—he must know of what he is talking—that the cost of transportation on wheat, from the West to Montreal, would not be lowered by the St. Lawrence waterway scheme. Moreover, the transportation by inland navigation, the transportation by rivers or lakes is, at present, an economic failure everywhere. Take for instance, all the canals that exist in America, all have proved a failure, all show, in their reports, at the end of the year, large deficits. The Mississippi canal, called the "Mississippi Warrior" has accumulated a deficit, since 1917, of $2,036,608; the Panama canal, has yearly deficits and the canal known as the "New York State Barge" is in the same predicament. Look at our own waterways, from Niagara to Montreal, if you look into the transportation of freight, from 1908 to 1914, you will find that there has been 8,279,477 tons of freight which were carried during these six years. Now, from 1914 to 1922—and yet we include in these the years of war during which the freight should have been greater—we find, instead of 8,279,477 the total freight transportation reduced to 5,424,420. The cause is quite simple; the shippers fight shy of the canals, they have misgivings in regard to water transportation, and the quicker they can send their goods to ocean ports the better they like it. We already have accidents with boats of three thousand tons in the canals, when a boat of the above tonnage hits the door of a lock, it means that perhaps, for five or six days or a week, the boat is held up. Wheat shippers are under contract to deliver their merchandise in Europe; all manufacturers of this country who carry on exportation, are under contracts, mostly on fixed dates, their goods must reach their destination within a time limit, now, they do not wish to run the risk of seeing their goods held up in the canal and delayed for five or six days or a week. If these three thousand tonnage boats are the cause of rather numerous accidents in our canals, so much more will it be the case should we be using 15,000, 20,000 or 25,000 ton ships.

Another reason given, it is claimed—I think it is the contention of some of my hon. colleagues of the West—that we shall economize large sums in the cost of the transportation of wheat. Let us suppose that we have a crop of, say, 400,000,000 bushels, and let us agree that we economize three cents per bushel, this would amount to $12,000,000.

If the cost of this canal system amounted to only $300,000,000—and I think that I have shown that it would cost at least $500,000,000—we shall have to pay an interest amounting to $15,000,000 per year, plus $2,000,000 for maintenance, this means a total amount of $17,000,000 that we shall disburse to economize $12,000,000. This establishes clearly that the St. Lawrence waterway scheme, economically speaking, admits of an expenditure which is at present unwarranted.

Moreover, I think that we should, by now, be wiser regarding our transactions with Americans. And this brings me to my third point: That it is not in the interest of Canada to construct so expensive a waterway system jointly with the United States.

In 1921, the International Waterways Commission's report was published, hon. members will recall some of the petitions that were presented to the United States Congress and Senate. Hon. members will recall that Senator King from Utah, introduced a motion to the effect that Canada should cede to the United States the whole territory comprised between the Richelieu river, lake Champlain and the northern boundary of the state of New York, Congressman Ten Eyck introduced a bill in

congress to purchase from Canada the whole territory to the south of the St. Lawrence, all Nova Scotia, New Brunswick and Prince Edward Island. A neutral zone like that of the Panama canal was proposed. Experience should have made us wise. The result of the war of 1775 which ended by the Treaty of Versailles, in 1783, swept away the whole territory to the south of the Great Lakes, part of Minnesota, all the states of Wisconsin Michigan, Illinois, Indiana and Ohio.

We were despoiled of the iron mines of lake Superior, the copper mines of Michigan, the oil fields of Indiana, Ohio, Illinois, the bituminous coal of Indiana and Ohio, part of the anthracite coal fields of Pennsylvania and finally 300 miles square of the richest territory in the world.

This proves, Sir, the ravenous appetite of our neighbours. We must also bear in mind the treaty of Ashburton and the treaty where we afterwards lost part of Alaska. Each time our best interests were sacrificed to the advantage of the United States.

The political aspect in regard to this project is therefore important. It is stated in the report that the cost would be proportionate to the benefits which the two countries would derive from it. Can you imagine our position in the face of the United States, who would probably be deriving 70 per cent of the benefits of the construction of this waterway having paid 70 per cent of the cost of the work? You can well form an opinion, Sir, regarding the situation of the representatives of Canada on a board of management of which 70 per cent of the members would be United States citizens.

We have still had a more recent test. Years ago the city of Chicago emptied its sewers in the Chicago river. The latter emptied in lake Michigan. It was claimed that, from a sanitary point of view, they would have to divert the waters of the Chicago river. A treaty was concluded, in 1910, between Canada and Washington by which it was agreed to divert the water course of the Chicago river—which emptied until then in lake Michigan—so as to give it an outlet in the Mississippi basin, on the well defined understanding that the total quantity of water which would thus be diverted from the Great Lakes would be 4,160 cubic feet per second, at the most. At present, 10,000 cubic feet of water is being diverted. The Canadian government protested. I am even informed that the Washington government itself protested to the authorities of the city of Chicago. It was of no avail; they continued to divert 10,000 cubic feet, and in one year alone the fact of taking 10,000 cubic feet of water has brought down the water level of the St. Lawrence, at Montreal, ten inches, causing $300,000 damages. Do you wish for another example? In 1918, the company known as the St. Lawrence Power Company was incorporated. It requested from the International Waterways Commission their leave to construct a dam at Massena, New York. The Canadian government opposed this request. A counsel representing the Canadian government went to Washington to protest Noticing that their protests had no effect, the government passed an order in council to further protest, in a more official manner. The Massena dam still remains, notwithstanding the protests of Canada. It is nothing more or less, that the United States government adopted in this circumstance a policy of "don't give a hang." It is the same policy which would prevail if we had the misfortune to enter into an agreement with them allowing to the two countries, a joint control on the St. Lawrence river.

There is no necessity, Sir, to mention the danger that would exist for navigation between lake Ontario and Montreal if this waterway scheme was carried out and if, at the same time, dams were constructed for the purpose of the water powers. All those who are interested in navigation, the Shipping Federation and other interested companies, are all unanimous in saying that these dams would lower the level of the river, at Montreal, and between Montreal and Quebec, and consequently, would prevent between these two ports, the navigation of heavy draught ocean steamers.

I think I have clearly established that the scheme is impracticable owing to its great cost, the results which would follow, and, owing also to the bad policy which would result from admitting the United States to a joint control with us over the St. Lawrence river. However, if, as I mentioned at the outset, it could be shown that it is in the interest of Canada to have a deep waterway between lake Ontario and the port of Montreal, if it could be shown also that the finances of Canada can sustain such an expenditure, I state, that before even thinking of constructing the St. Lawrence waterway, we should build the Georgian Bay canal. We would thus have an all Canadian route, we would have a waterway which would be in Canadian territory from its head waters to its outlet into the Atlantic ocean, a route three hundred miles shorter than that of the St. Lawrence river. By the St. Lawrence route, the distance is nine hundred and forty-three miles between Sault Ste. Marie and Montreal, by the

Georgian Bay canal way, it would only be six hundred and sixty-one miles. We have reports of well known engineers on this scheme. I shall only mention one, Mr. Arthur Surveyer, president of the Institute of Engineers of Canada who stated that the Georgian Bay canal and the development of the rivers and lakes situated along the water course of this route would supply 1,000,000 horse-power, over and above the 2,500,000 horse-power that could be developed in that part of the St. Lawrence in Canadian territory. I might further add that this route is easier to build owing to the smaller volume of water. The Ottawa river not being as wide as the St. Lawrence river, the dams would not be sc wide, and therefore would be less expensive; there would exist more safety for navigation: we would thereby avoid lake Erie, which is exceedingly dangerous and where shipwrecks are of frequent occurrence, and finally, we would develop Northern Ontario and Quebec; we would open up a mining country which has not its equal in the world, and we would be building, as I said a moment ago, a route which would be entirely in Canada, and thereby accomplishing a truly national work.

In closing my remarks, Mr. Speaker, may I be allowed to add to all these arguments that we must protect our St. Lawrence, that we must safeguard it as a sacred trust bequeathed by our ancestors, and resist with all our strength that it may not become an international river.

The propaganda emanated from the United States. It is not astonishing that they eagerly covet the most important and beautiful asset of our country. Cartier had already noticed this lust when he wrote, more than fifty years ago, these patriotic verses:

L'étranger voit, avec un œil d'envie,
Du Saint-Laurent, le majestueux cours,
A son aspect le Canadien s'écrie:
O Canada, mon pays, mes amours.

If we wish, Sir, that these verses remain true, we will not divest ourselves of any part, even trifling as it may be, of this inheritance. Let us therefore, oppose with all our strength any ambitious attempts of our neighbours, and, politely but firmly tell them in a language they will understand "Hands off the St. Lawrence."

Hon. R. J. MANION (Fort William and Rainy River): I have no objection to the motion of the hon. member for Chambly and Verchères (Mr. Archambault); in fact, I was thinking of putting on the order paper a similar motion myself in regard to the production of papers, telegrams and correspondence of all kinds on this subject. Another reason why I do not wish to deal with the question at length is because the government have recently stated through the Prime Minister (Mr. Mackenzie King) that they are about to have a thorough investigation made of the whole question. I tried to follow my hon. friend in his eloquent French, but I am afraid my French is rather limited, and I could not follow him as well as I should have desired. But I think I caught the drift of most of his arguments. I take it that from the standpoint of the province of Quebec or of the city of Montreal he is strongly opposed to the St. Lawrence waterway project and holds the view that if we do anything of this sort we should devote our attention to the Georgian Bay canal scheme. He also suggested, if I understood him correctly, that a bridge might be built in his constituency which would be of much more importance to the country as a whole than the building of either of these canals. I have no objection to his standing up for his constituency. He always does that, as the rest of us do for ours, and I do not wish to argue against that either. But I understood him to give the opinion of an engineer, Mr. Cooper, of New York, that the cost of this project would be $1,400,000,000.

Mr. ARCHAMBAULT: More—$1,450,000,000.

Mr. MANION: He presented that figure in opposition to the estimate of the engineers of the International Joint Commission that the work would cost about $252,000,000.

Mr. ARCHAMBAULT: Will my hon. friend permit me to correct him? The engineer of the International Joint Commission stated that the cost would be $253,000,000, but this was without the development of the water powers, which would cost $236,000,000, bringing the total estimated cost up to $489,000,000.

Mr. MANION: My hon. friend is wrong in that. I do not happen to have any of the literature at hand, because I did not know that this question was coming up today. But I know that the figure given by the engineers of the International Joint Commission was $252,000,000, and that included the development of all the power in the international section of the river; in fact, it included the development of a million and a half horse-power of electricity. I am positive that if my hon. friend looks up the report he will find that this figure

is correct. I am sorry I have not the report here, but I am quite familiar with the figures because I have read them many times. I well remember a speech by the hon. member for Welland (Mr. German), on my hon. friend's own side of the House, in which he brought out that very argument.

Mr. ARCHAMBAULT: I do not wish to interrupt my hon. friend, but will he tell the House what he means by the development of power in the "international section" of the river?

Mr. MANION: There is a part of the river, between Prescott and Cornwall, I think, although I am not sure I have the exact stations, but there is a part of the river east of Kingston, which is really international, running between the province of Ontario on the north and the state of New York on the south. Below that section you come to the really national part, so far as Canada is concerned, that is where the river runs between the province of Quebec and the province of Ontario or through the province of Quebec.

Mr. ARCHAMBAULT: The $256,000,000 does not include the cost of that second part.

Mr. MANION: I agree, but it does include the cost of the development of 1,500,000 horse power on the international section.

Mr. ARCHAMBAULT: For the Americans.

Mr. MANION: No, it is international power, to be divided between the two countries. Canada has as much right to half as the United States has to the other half. The $252,000,000 includes not only canalization but the development of that 1,500,000 horse power on the international section, and the report of the International Joint Commission claims that that 1,500,000 horse power could be developed so cheaply that in all probability the return from the electricity developed would pay the interest and sinking fund on the whole undertaking. My hon. friend shakes his head, and I know there are others as well who do not agree, but I am simply quoting from what the engineers say in the International Joint Commission's report. So the jump from $252,000,000 up to Mr. Cooper's figures is sufficient to cause further investigation, and in that I have no quarrel with the government.

In regard to the Georgian Bay canal, I think no Canadian would object if something was to be gone on with and the country could finance it, but personally, as between the two, I think that if we could develop the St. Lawrence route it would be better for the country as a whole because of the lesser expense so far as Canada is concerned, for the United States would pay half the expense. The International Joint Commission not only included that $252,000,000 in the total expenditure, but the $80,000,000 or $90,000,000 which is being spent anyhow by the Canadian government on the Welland canal. So if these figures are correct, Canada's share in developing the St. Lawrence route would be very much less than the cost of building the Georgian Bay canal. I looked up the figures a few months ago, and I remember that away back in 1904 or 1905 the probable cost of the Georgian Bay canal was estimated to be about $100,000,000. Of course, to-day with the higher cost of everything, that would be doubled or trebled. I was going on to say that the Georgian Bay canal from the Canadian standpoint, and certainly from the standpoint of western Canada, would be just as advantageous as the development of the St. Lawrence route. But when you consider that the cost of the St. Lawrence route is to be divided, and the fact that there are some 30,000,000 people in the United States who are much more tributary to the St. Lawrence project than they are to the Georgian Bay canal project, it makes the St. Lawrence project much more feasible from the standpoint of bringing about a new route for traffic.

Mr. CAHILL: In what states are those 30,000,000 people?

Mr. MANION: I do not mean in the states directly bordering on the Great Lakes; but the states of North Dakota, South Dakota, Minnesota and Kansas, for instance, which do not border on the Great Lakes, are tributary to the Great Lakes inasmuch as their produce, wheat and so forth, is carried over the Great Lakes, and the states that are tributary to the Great Lakes in that way include about 30,000,000 people, and these same states, it is claimed by the authorities, also produce some seventy per cent of the food and raw materials produced in the United States. I am giving these figures from memory from the International Joint Commission's report, and I am quite sure that my memory serves me correctly in this case.

My hon. friend from Chambly and Verchères (Mr. Archambault), if I understood him correctly, also took up the question of

ocean boats going up the Great Lakes. I am not one of those who ever had a picture in my mind of ocean boats using these canals, if they are built and proceeding up the lakes to Toronto, Fort William, Chicago, Buffalo and other cities. But what would happen if this project was undertaken would be that the boats carrying wheat from the prairie provinces, instead of stopping as they do to-day at Georgian Bay ports, or at Port Colborne and transshipping to Montreal, or transshipping to New York via Buffalo would continue on to Quebec or Montreal, and one of these two cities would still get the traffic. I do not think there would be any injury to Montreal. And in that connection I would just like to give one thought that I think the people of Montreal and of that district should consider very seriously before making too much opposition to this whole scheme. If you will look at a map of the United States and Canada together you will find that from Oswego at the southeast end of lake Ontario to the Hudson river there is only a very short distance which would require to be canalized to have lake and ocean steamers traverse the Hudson river and out at New York, and the New York people are to-day very strongly advocating—especially in view of the opposition of some Canadian people to the St. Lawrence scheme—the building of a canal system from the Hudson river across to Oswego. If that scheme were gone on with, they claim, it would be cheaper for the United States than paying for their half of the St. Lawrence development, and Montreal and Quebec would be to a very large extent sidetracked because much of the traffic which now goes to them and which would certainly go to them by way of the St. Lawrence-Great Lakes system—

Mr. CARROLL: Is it not a fact that the strongest ground the promoters of this scheme are taking is that ocean boats would go right up the lakes? I am not saying that it would be a bad thing, even if it did affect Montreal and Quebec.

Mr. MANION: Some people take that stand, but those who have given the subject a great deal of study—and from the layman's standpoint I think I can claim to be one of those—do not take that view, except as regards tramp steamers, but that the boats instead of stopping at the points I mentioned a moment ago would continue to Montreal or Quebec and trans-ship there. It would save trans-shipping at Georgian Bay ports or at Port Colborne. The grain from the West could be transported right through to Montreal, and it would convey to Montreal or Quebec, whichever got the traffic, much of the American traffic which now goes by way of Buffalo, because up to very recently—two or three years ago—about sixty and sometimes seventy per cent of all our Canadian wheat carried from the head of the lakes was taken to Buffalo and trans-shipped by the Erie canal to New York. I repeat in all sincerity that if this St. Lawrence scheme were gone on with Montreal stands to gain in every possible way, and not to lose at all, because she would get not only a large proportion of the Canadian traffic which she does not get now, but a large proportion also of the American traffic which she does not get now to any great extent.

Particularly am I impressed with the point that I mentioned just a few moments ago, that Montreal and the cities in that district should very seriously consider the danger of the American people deciding to build a canal from Oswego to the Hudson river. That project is very strongly supported. I think it was the New York Times, probably the strongest paper in New York, that came out in support of that scheme only recently. Certainly if it were gone on with, it would be a very serious matter for Montreal.

Mr. ARCHAMBAULT: Does my hon. friend seriously contend that if the St. Lawrence project reduces the depth of the water in the St. Lawrence from Montreal to Quebec, it will aid the development of that district?

Mr. MANION: I do not admit it would do any such thing. Neither do the engineers. My opinion is of no weight whatever on that question, because I do not pretend to have any engineering knowledge, but very good engineers claim positively that there would be no change in the levels of the waters below the canalization or the power scheme development. However, that is an important question, and if the further investigation which is to be made should show that that would be brought about, then of course there is much more reason perhaps for Montreal to seriously consider the matter.

I should like to touch one other point that my hon. friend (Mr. Archambault) made in regard to the saving concerned in this scheme. He mentioned, if my understanding was correct, that in the operation of this scheme he figured the cost would be something like $300,000,000, laying aside Mr. Cooper's figures, and he took the interest upon that, and figured it to be $15,000,000 and then said that the gross saving would amount to $12,000,000. I think that was his estimate of the saving on the grain of the West.

Mr. ARCHAMBAULT: Yes.

Mr. MANION: I thought I understood him. Then let us assume his figures are correct. I will not argue about them, though they are very much lower figures than those given by Mr. Herbert Hoover, who is a member of the American cabinet to-day. Furthermore, the figure of ten cents was given by Mr. Julius Barnes, whom everybody in the House knows. He is one of the best authorities in the world in regard to the handling of grain; and he made the statement that there would be a saving of ten cents a bushel on the wheat from Canada and the United States. It would be not only on the wheat shipped out, because that wheat fixes the price of the wheat left in the country.

Mr. ARCHAMBAULT: What is the actual cost?

Mr. MANION: The average cost last year from Fort William to Montreal was about twelve cents.

Mr. ARCHAMBAULT: You would save ten cents out of twelve.

Mr. MANION: No, I did not say that; I simply quoted Mr. Julius Barnes as saying it would save ten cents a bushel.

Let me point out to my hon. friend that once a cargo is put upon a steamer it costs very little more to carry it a long distance than to carry it a great deal shorter distance. You can carry freight to-day, I am informed, from New York to Bombay and from New York to Calcutta at exactly the same price, though the distance is two thousand miles greater for one than for the other. I am giving that as an illustration of the cheapness of carrying freight on boats, though I would not claim that ten cents would be saved out of twelve, I was simply quoting Mr. Barnes' figures. The price the year before—and my hon. friends from the West will bear me out—would not be the average price of twelve cents but nearly double that from the head of the lakes to Montreal.

I was going to point out another saving. In addition to the saving on grain we have the revenue from the horse-power; because the horse-power can be developed, engineers claim, on this section, at a very low cost, and can be sold at a sufficient price to pay not only the interest but also the sinking fund upon the scheme.

Referring to the great objection my hon. friend made with regard to any dealing between the United States and Canada, he appealed to our Canadian nationality, to our great patriotic feelings, against uniting with the United States in a deal such as this. Well, I must confess frankly that I have not those feelings in the matter that he seems to have. At the same time I do not wish to be misunderstood, I do not want to be understood as not advocating that we should take every precaution, if this deal were ever proceeded with, to look out for our own interests. One thing I have always noted with reference to the United States is that when they go into any deal they are very careful to look after their own interests, and I admire them for that. No one knows that better than my hon. friends to my left, because the United States are looking after their interests to the extent of barring out anything produced in Canada if it suits them to do so. I agree with my hon. friend (Mr. Archambault) that all precautions should be taken, but I do not agree that it would be necessary to find this an insuperable obstacle to the progress of the scheme.

I hesitated to speak on this question, but I felt there were a few points that should be laid before the House, and particularly the point which I will take the liberty of emphasizing another time; namely the possibility of the building of a canal system from Hudson river to Oswego, which would certainly do more harm to Montreal than this scheme would do.

Mr. JOHN MILLAR (Qu'Appelle): In common with my hon. friend from Fort William and Rainy River (Mr. Manion), I was unable to understand the drift of the discussion on the other side on this question —in fact I was not able to understand any of it. It was not until my hon. friend from Fort William and Rainy River spoke that I could catch more than the drift of it; and as I spoke very briefly on this question the other day—in fact I did not speak on this phase of it at all—I would like to make some observations on one phase of it, namely the saving on a cargo of grain. I have been trying to arrive at what would be a reasonable saving, and I have approached the question in this manner. The Canadian people at the present time are building the Welland canal, and whether the international project proceeds or not, we are going to have the Welland canal completed in a few years. That project will permit boats to load at Fort William and proceed to the eastern end of lake Ontario. The largest boats will carry their cargo there. The fact that it will be some years before we can complete the St. Lawrence waterway, even if we decide to start

at once, and the fact that we would have the Welland canal completed several years before the St. Lawrence scheme could be completed, mean that it would be necessary to build elevators at the eastern end of lake Ontario. It would be possible, of course, to transfer the wheat by floating elevators into barges; but as we will have to handle grain for even four or five years, I think it is a foregone conclusion that we would have to build some elevators at the eastern end of lake Ontario. According to the figures in other harbours, the cost of transferring grain from cars into boats through an elevator, rendering the same service as we would render at Prescott or Kingston, only in the reverse order—and I take it the cost in this case would be about the same—is a cent and a half a bushel. Hon. members will understand that I am making a comparison between the cost of handling the grain from the eastern end of lake Ontario to Montreal, and the cost as it would probably be after the St. Lawrence was deepened and the large boats were able to proceed to Montreal. If the cost of transferring the grain from the large boats through the elevator to the cars is one and one-half cents, we add to that the railway cost from Prescott, if we take Prescott, which is only 108 miles from Montreal. Taking the average of a long haul, the cost would be only a cent and a quarter. But owing to the fact that it is a short haul, it would only be fair to add considerable to that cent and a quarter, say we call it two cents and a half. Now, we have the grain carried from the boat at the east end of lake Ontario and placed beside the elevator at Montreal for four cents a bushel.

This covers all charges, and that I take it is a very liberal margin, considering that before 1910 in some years the average cost of carrying grain from Fort William to Montreal was only four cents. Now, suppose that we proceed with this project and that we are able to proceed upon the St. Lawrence with large boats to Montreal, there is now and always will be from 30 to 40 miles of canals, depending of course upon what you call a canal; I suppose there are places on the river where there will have to be a little dredging, but it is figured at from thirty to forty miles of canal. In these canals boats cannot move rapidly. In the Panama canal and some other large and differently constructed canals they can move at 5½ and 6 miles an hour. But in such a canal as this, engineers put the rate at four knots an hour, even though the vessels may be able to go at twelve or more knots an hour on the open water. The dangers are greater and the insurance will be higher than on the open water. One can readily see that, with a depth of even twenty-five feet, where depth is no impediment, boats cannot proceed down thirty-three miles of canal to Montreal and back again without making a considerable charge. All that will be saved will be the cost of such transportation by large boats from the end of lake Ontario to Montreal as against the route which I have just mapped out by rail. If the higher is only four cents and the lower must be something considerable, where under the heavens, I might say, are you going to get a saving of ten cents?

Let me set forth another factor in this connection. It is quite possible that the grain may be transferred by floating elevator to barges—these proved very satisfactory at New York—down this canal at a cheaper rate than the railway could carry it. If so, then the saving would be between four cents and the new rate under the better conditions; but it would be between the barge rate and the rate of the large boats after the canal is completed.

Mr. MANION: Does my hon. friend know the rate from Buffalo to New York via the Erie canal during the season of navigation?

Mr. MILLAR: I do not know it exactly, but I know that about a year ago eighty per cent of the grain that was going into New York went in by rail, not by the Erie canal. There is an argument that, I think, is worth while taking note of. The Erie canal has not been able to compete with the railway, and it is a question in my mind whether a canal that is deeper—that canal is just a large ditch—where vessels can go at only four or five knots an hour will have much advantage over the all-rail route.

Mr. MANION: As a matter of fact, I know the rate. The rate is from eight to ten cents on the Erie canal. As my hon. friend says, it is much in the shape of a ditch; it does not amount to anything; it is only for a few flat boats. The reason I asked the question was this. The same conditions, more or less, exist to-day east of Port Colborne, from Port Colborne to Montreal, as my hon. friend knows. He quoted a figure of four cents, but he did not give me the dates. I know he showed me the figures at one time, and about fifteen years ago those were the rates. Since the war, however, there have been no rates such as

those, and there is no likelihood of the rates being as low again for many years to come.

Mr. MILLAR: I think I said prior to 1910. As I did not expect this question to come up, I have not the figures; but those figures were correct for some years prior to 1910, when the rate averaged about four cents from Fort William to Montreal. The hon. member for Fort William and Rainy River (Mr. Manion) has referred to the possibility of a large canal being constructed from Oswego to New York. It is possible that this canal may be constructed, but I am very doubtful about that being done. Even if this canal were constructed to a depth of thirty feet as is proposed, there would always be this danger. If, later on, the St. Lawrence river project is carried out, as I hope and believe it will, and it should be a cheaper route, then the more expensive one will have to go out of business. As soon as two routes come into competition, then one that can give the better transportation is the one that is going to take the trade.

I think I have only one more point that I wish to touch on just now, and that is the possibility of boats traversing both the ocean and Great Lakes. I am quite convinced that only a few boats will traverse the ocean and go up to Fort William, for the reason that vessels that cross the ocean cost about three times as much, and because of the more expensive construction and more material in them, they can carry only about two-thirds as much grain. More money is invested, and such boats, having their return cargoes to Montreal where the distributing point must be for some years to come, and not Fort William, will go empty after they have discharged their cargoes at Montreal. They will have to crawl up through those long canals at the rate of four knots an hour, load grain at Fort William and crawl back again. I am convinced that they will never pay. They would also require larger crews.

I was struck with a sentence in an address delivered by Mr. Keefer of Port Arthur, to a body of business men of Montreal in regard to this matter. Many hon. members know that Mr. Keefer is, perhaps, one of the strongest exponents of this project, and in speaking before that body of men, he confessed that it was not likely that any great number of boats would traverse the ocean and proceed to Fort William and Port Arthur to load grain. He said: "A few boats may do so, will do so, but not very many." And I am convinced that that is so. It is really a fatuous dream to imagine that Port Arthur or Fort William is going to become an ocean port.

Like my hon .friend from Fort William and Rainy river, I am a little inclined to think Montreal might make a mistake in opposing this too strongly. I am not going to oppose the St. Lawrence river project; but I would oppose constructing it now, and especially on the strength of resolutions passed and letters written by those who believe they are going to gain eleven cents a bushel. I have sympathy with those who live near the St. Lawrence and believe that as a great international project, this would be a good thing —they will get their power cheaper, the power will in time pay for the project, and Canada will be better thereby. I am willing to listen very sympathetically to what they have to say; but if they are the people who want it, let those people ask for it. I believe the people of the West, if left alone, do not want it now.

Being unprepared and since this question has come up in this way, I shall not have more to say on this subject, but I am pleased that the government are taking the course they are. There are many matters involved, such as the lowering of the water.

5 p.m.

I understand a delegation was here a few days ago from Goderich claiming that the diversion of water at Chicago had caused a lowering of the level of water at the elevator there by either one and one-half or two and one-half feet, I am not sure which. They thought that a sufficient reason of complaint to justify them in coming to Ottawa about it. All these matters are involved, and it is well to go very carefully, to measure every step before we take it. But eventually the project should, and I believe it will, be carried out.

Mr. E. C. ST. PERE (Hochelaga) (Translation): I have listened, Mr. Speaker, very attentively to the splendid statement of claims made, on behalf of Montreal and its surroundings, by the hon. member for Chambly and Verchères (Mr. Archambault). I represent, Sir, as you are aware, a large Montreal division most interested in the Maritime import and export trade; I, therefore, deem it my duty to rise in this House and set forth some of the reasons which justify the opposition of my constituents to the St. Lawrence waterway scheme.

The various opinions expressed heretofore, regarding this project are worthy of being considered. Hon. members representing Montreal and the province of Quebec are not alone in disapproving of this scheme and if we look outside of this House, we find that Governor Smith, of New York State, is entirely

opposed to this scheme, so highly extolled within the last few months, a scheme which has been given widespread publicity in the newspapers, a scheme which is approved, morally at least, by a large proportion of the population of Ontario, and also by the majority of the population of the west. It is true, that this project is of American origin, it was conceived in the states of Ohio, Michigan, Indiana, Illinois, Wisconsin, Missouri, Iowa, Minnesota, the two Dakotas, Montana, Wyoming, Kansas, Nebraska and Colorado. No doubt, the western provinces are interested, however, as it was stated just now, and much to the purpose, by the speaker who preceded me, in these days when all preach economy, the West is not particularly desirious that this scheme should immediately take definite shape.

We have heard the probable cost of this new waterway scheme discussed. I followed attentively, just now, the argument of the hon. member for Fort William and Rainy River (Mr. Manion) who was trying to establish that the cost of this undertaking would not be much more than $250,000,000. Well, Sir, we must, in this House, speak plainly and discuss this question in a businesslike way; to the $250,000,000 which this undertaking is supposed to cost, must be added the interests as long as the system of canals is under construction, and so far as I have been able to judge, there is not one engineer, having made a survey of the ground who is in a position to state in a definite manner that the carrying out of this scheme will take place within a limited time. We are told, however, that the work on the St. Lawrence waterway would last from ten to twenty-five years; if we add to the cost of construction the compound interest, I leave it to you, Sir, to figure out what this scheme will have cost us when completed.

Governor Allan, of the state of Kansas, the greatest champion of this project, states that the United States would, using the St. Lawrence waterway, try and find a market for 200,000,000 tons of merchandise. After having made inquiries from a great number of shippers in my county, I can state positively. that it is absolutely impossible to find any other markets than those at present existing: London, New York, Liverpool, Hamburg and Montreal. Where could this new market be found for 200,000,000 tons of merchandise? That is the question.

We have read, here and there, that the electric power developed, by the St. Lawrence waterway scheme, would be sufficient to defray the cost of this undertaking. We should, Sir, accept such a statement, only if it can be proven that it is possible to find a market for the electric power so developed. This still remains to be shown.

I am aware that our western farmers have had somewhat to suffer, up to the present, from demurrage charges at the ports where the wheat is unloaded, and this source of complaint will disappear in the future, because we have built quite recently, at Montreal, in my division, a $10,000,000 elevator. This very up to date elevator is designed to store all the wheat that the western farmers may send us, and will facilitate the rapid loading of all the ocean steamers which may come to Montreal during the autumn season, to fetch the wheat destined to the European markets.

I must admit that I place very little reliance in the good-will of our neighbours to the south, when it is a question of business. I am not convinced that our neighbours favour the St. Lawrence waterway scheme with the idea of ensuring to our merchant marine the benefit of this new wheat transportation route. I see but one object which can urge them on to press for the carrying out of this undertaking: it is the development of the water powers. I was reading quite recently, in an American magazine, that Mr. Ten Eyck, an ex-congressman, suggested to his government the building of a new canal extending from Oswego to Troy. Can we reasonably suppose that our friends the Americans would take advantage of the St. Lawrence route and neglect the one extending from Oswego to Troy, and thence to New York by the Hudson river, simply to give proof of their good-will towards us? What our American friends covet above all, is our water powers. We have, up to now, suffered enough owing to the Rush-Bagot Treaty, without further making the mistake of going blindly into such an undertaking by handing to our neighbours advantages which we should keep for ourselves.

All public bodies, Sir, of the province of Quebec, and even the government itself of that province, are strongly opposed to that project. I share their opinion. Montreal is, to-day, a large sea port, which desires to expand, and, within five years, I feel certain, it will extend as far as St. Therese island. If Montreal is, at the present time, considered as one of the five large distributing centres of the world, I fail to see why we should hinder its progress by adopting—even in principle, I might say—a scheme which might have such a harmful result as to injure the great metropolis of Canada.

I am therefore acting as the spokesman for all the public bodies of Montreal; I am acting as spokesman for all those who, in my division, earn their living in the shipping business; I am acting as spokesman for all those who are truly working in the interest of the Montreal harbour. I approve, without reserve, the opinions advocated by the hon. member for Chambly and Verchères (Mr. Archambault) and I beg the government to act with caution in this affair. And if, some day, a similar project is introduced, I will again side with the hon. members for Chambly and Verchères (Mr. Archambault) and Nipissing (Mr. Lapierre) to request that the Georgian Bay canal scheme be substituted for that of the St. Lawrence waterway.

Mr. E. A. LAPIERRE (Nipissing): Representing the constituency which would benefit most by the building of the Georgian Bay ship canal, I wish to say a few words before this discussion is concluded. I am one of those who believe that the commission which is to be named by the government will demonstrate to the satisfaction of our western friends, and to all those who are interested in the deepening of the St. Lawrence waterway, the economic impossibility of that project, and that the development of the electrical power on the St. Lawrence is as a matter of fact the real objective of the great propaganda which has been in progress for several years. One of the reasons for the desire to have water-power developed on the St. Lawrence is the necessity that exists to-day for more electrical power in eastern Ontario. I maintain, however, that the building of the Georgian Bay ship canal would supply all the power needed in eastern Ontario, and at a very much cheaper rate than it could be developed along the St. Lawrence. The building of the Georgian Bay ship canal would enable us to develop 1,000,000 horse power, which would be available to eastern Ontario and Quebec, and would also provide an all-Canadian water route, should it ever become necessary, for the grain from the west at a rate every bit as low as that which could be obtained on the St. Lawrence waterway. Furthermore, it would enable Canadians to have absolute control of the grain rates, giving them an all water route to the sea. The Georgian Bay ship canal is a problem that has been discussed in this House for many years, and it has been declared by engineers as perfectly feasible. There is no doubt in my mind that had the United States possessed the same natural advantages, the Georgian Bay ship canal would have been built long ago. Northern Ontario is on the eve of one of the greatest mineral developments Canada has ever known. The potential wealth of that great north country is just being brought before the world. Within the next ten or fifteen years there will be a greater industrial and mineral development in northern Ontario than has ever taken place in any similar area in the world. The deepening of the Georgian Bay ship canal would give an impetus to the healthy development of the vast natural resources of that country and would no doubt stimulate the development of our rich iron deposits there.

In discussing this problem Mr. W. F. Tye, who has made a thorough study of our waterways, expressed the following opinion:

> With the rapid depletion of the high grade iron ores, and the increase in the cost of coal which must come from the great waste and rapid exhaustion of the easily mined high grade seams, the great advantages possessed by Pittsburgh and the Ohio valley as a manufacturing centre will disappear. With the disappearance of the great advantage now enjoyed by Pittsburgh will come Canada's great opportunity.
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> The construction of the Georgian Bay canal will develop a very large amount of water power. It is conservatively estimated that the Ottawa and its tributaries will give 3,000,000 horse-power equivalent in power requirements to the mining of 40,000,000 tons of coal per annum. This water power, unlike coal, can never be exhausted, and with the rapid depletion of the coal and iron in the United States, and with the enormous horse-power of the Ottawa and its tributaries and the low grade iron ores of the Ottawa valley, it is easily possible that in years to come the great manufacturing centre of this continent may be transferred from the Ohio valley to the Ottawa valley. There is no reason why it should not if the people of Canada have the enterprise to make it so. For such reasons as this I believe that the construction of the Georgian Bay canal is a national necessity. I do not mean to say that the construction of the Georgian Bay canal will at once transform the Ottawa valley into a great manufacturing centre, but it will make it possible, as with abundance of iron ore, abundance of the cheapest and best power in the world with a deep draft canal permitting ocean freighters to penetrate into the heart of the Ottawa valley, there seems to be no reason why it should not become in time as great a manufacturing district as any in the world.

The Georgian Bay ship canal would give all the electrical energy required in eastern Ontario for many years to come. Lower down the St. Lawrence, the district of Montreal has all the water-power it will require for the next quarter of a century.

The development of the St. Lawrence waterways would entail a tremendous expenditure, which would simply augment the stupendous burden this country is already struggling under. The electrical power so generated would have to be transmitted to the United States. As we know, this would lead to the establishment of great industries there, and they having once enjoyed the privilege of receiving

this power we should have to continue to supply their needs right along.

In a statement by Sir Adam Beck, Chairman of the Hydro-Electric Commission of Ontario, on the possibilities of the Ottawa river for power development, made before the Railway committee of the House of Commons in 1912 he said:

> The Ottawa river must be the backbone of the supply of electricity to the province of Ontario. We are limited on the St. Lawrence by treaty obligations, and we must depend on one great source of supply, the Ottawa.

We of northern Ontario believe that before any steps are taken for joint international ownership of our great St. Lawrence waterway further study should be given to the merits of the Georgian Bay ship canal. Its construction would mean the development of 36,000 horse-power on the French river and would make it possible for boats to come further inland and supply the coal needs of northern Ontario; it would also serve as an outlet for the pulpwood and timber of that country. In the opinions of those who have studied the development which has already taken place in the north country within the last ten years, it would be a great deal more in the interest of the people of Canada as a whole that the Georgian Bay ship canal should be built in preference to any other similar project.

Mr. A. E. ROSS (Kingston): Mr. Speaker, the discussion on this motion has taken the trend of opposition to the St. Lawrence waterway, and in the case of the last speaker (Mr. Lapierre) of advocacy of the Georgian Bay ship canal. Coming from the centre of the province as I do, it would naturally be expected that I should discuss these rival projects, but I do not intend to do so. I only want to bring to the attention of hon. members that the subject raised this afternoon is the development of water-powers on the St. Lawrence, and I would point out, as I did the other day incidentally, that those who are seeking this development are not concerned in the propaganda which has prevailed in the West for the deepening of the waterway, nor are they behind that propaganda. We believe the time has arrived when electricity is essential to the needs of eastern Ontario, and that the development of this power should not depend upon either the Georgian Bay ship canal or the St. Lawrence waterway route.

The government of Ontario is anxious to develop electricity for the eastern portion of the province, and will undertake to carry out such development at its own cost. That is the point I want to impress upon the House to-day. Eastern Ontario has been very generous in its attitude towards the other parts of the province. We stepped aside while hydro-electric power was being developed at Niagara Falls for western Ontario; but we can stand aside no longer—electricity is vitally necessary to eastern Ontario. We have no large industrial centres there, outside of Kingston and a few smaller towns, so the industrial aspect is not of first importance. The primary desire is to have electricity to serve the needs of the settled part of eastern Ontario, principally those of our agriculturists. The development of electrical power on the Georgian bay ship canal would be absolutely useless to us. I do not know what the hon. member for Nipissing (Mr. Lapierre) has in mind, but any power development north of the city of Ottawa could not be transmitted to the people of eastern Ontario in an economical way. Ottawa has all the power it wants or will want, but lying along the St. Lawrence river there are very thickly settled parts of Ontario where electricity is required by people living in small towns, and by farmers, and they need it now, not ten, fifteen or twenty years hence. Moreover, the erection of dams for this purpose will not, judging by what the engineers say, interfere in any way with navigation. As an example of this, I would point to the case of the Mississippi River Power Company, which is developing power on the Mississippi by means of a dam, with no resulting interference. I know that some time will be required for the consideration of the question whether or not the canal project is to go on, but I want to impress upon the government that the development of electricity is a matter of great importance to the part of eastern Ontario to which I have referred, and that is a need that the carrying out of the Georgian Bay project or anything else of that kind will not supply. Ontario is anxious to meet this need—

Mr. ARCHAMBAULT: Does my hon. friend say that the building of dams for the supplying of electricity as he suggests will not affect the level of the St. Lawrence river?

Mr. ROSS (Kingston): Others who have spoken this afternoon have pointed out that they are not engineers; neither am I an engineer. But in 1913 the engineers of the Hydro-Electric Commission of Ontario stated that the erection of dams would not cause that interference, and I am pointing to an example, that of the Mississippi Power Company, which is developing many hundred thousand horse-power.

Mr. ARCHAMBAULT: I am not ready to take the word of the Hydro-Electric Power Commission's engineers.

Mr. ROSS (Kingston): If any other commission can succeed as well or can get the results which they have obtained, their word should go a long way. I would direct the attention of the government to one other important point, namely, the change of water level along the Great Lakes. The water has gone down not two feet but three or four feet, and the emptying of the drainage and so on is going to be a great menace. The question is a very serious one which the government should take up at once, because the lowering of the water level must expose sewage, with resulting menace to the people of Ontario and of other parts of Canada, and to people of the United States as well. If this condition continues for another year I should not be surprised to see some very serious epidemics in this country.

Mr. J. E. FONTAINE (Hull) (Translation): I do not wish, Mr. Speaker, to prolong this debate any further. There is, indeed, very little to add after the splendid speech of the member for Chambly and Verchères (Mr. Archambault). I cannot, however, resist the temptation of protesting against the press campaign which is, at present, being carried on in the United States and Ontario, in favour of the St. Lawrence waterway scheme, I think that the time is ill-chosen—when the people of this country are uniting in a retrenchment campaign to insist on the carrying out of such a project, which would cost hundreds of million dollars. The right hon. Prime Minster (Mr. Mackenzie King) stated that it was simply a question of holding an inquiry, so as to judge whether the time was ripe for this undertaking. The hon. Minister of Justice (Mr. Lapointe) further stated, the other day, that this scheme will never be carried out so long as it has not been established that the level of the St. Lawrence will not be affected, and, he further stated that the rights of all the provinces would be protected. We are continuously being refused necessary improvement for our counties, because Canada is not in a financial position to undertake these improvements, and I cannot, under these circumstances, see the utility of this inquiry. which will certainly cost the country many thousand dollars.

The speakers who have preceded me in this debate have pointed out that each time we had disputes with the United States, they have never been settled to the advantage of Canada; the Americans have always succeeded in having their claims acknowledged to our detriment. We must, therefore, be on our guard against such a desire of seeing this project carried out immediately. At all events, Sir, if it was established that an undertaking of this nature is in the interests of Canada, I would rather favour the building of the Georgian Bay canal which would give us an entirely Canadian route. The Georgian Bay canal would create a waterway just as advantageous to the western provinces, and, according to the report of engineers, would facilitate the development of all the water powers of which we are in need, just as well as the St. Lawrence waterway, and it would greatly benefit both northern Ontario and northern Quebec which contain minerals and forests in abundance. The construction of the Georgian Bay canal has been urged for a great number of years, long before we ever heard of the St. Lawrence waterway, and, had it not been for our participation in the war, which brought on a disastrous financial crisis, I am certain that the government would have already begun the construction of that canal. Our financial situation does not permit, at present, the carrying out of that project, which would however be far less costly than the St. Lawrence waterway scheme. It is, nevertheless, a fact that the first great national undertaking that the government will be called upon to carry out, will be the construction of the Georgian Bay canal. All citizens of this country would gladly see the realization of this project which would establish a waterway located entirely on Canadian territory, of which we could be complete owners and not have to share the privileges and responsibilities with our neighbours to the south.

Before closing my remarks, Sir, I would request the government to proceed slowly and with caution and not to carry out the St. Lawrence waterway before it is clearly shown that this project will turn to the advantage of Canada.

Mr. FRANK S. CAHILL (Pontiac): I wish to say a word in support of my hon. friend from Chambly and Vercheres (Mr. Archambault) in his desire that the government should go slowly in entering into any contract with the United States for the construction of the St. Lawrence deep waterway. The history of international canals has not been such that a country, particularly a small country should hasten into a contract with a larger country. The history of the Suez canal and of the Panama canal will show that both the countries through which they were constructed lost control of the territory through which the

canals ran, and it is quite possible that the same thing may happen to us with regard to the St. Lawrence deep waterway if we consent to make the St. Lawrence an international waterway. It is conceivable that at some future time the United States may be at war with some country and that Canada would wish to be neutral but it would be impossible for Canada to obstruct the passage of ships along the St. Lawrence of any country that might be at war with the United States; and vice versa, if Great Britain were at war with Japan, and the United States were friendly with Japan or neutral, I do not see how we could stop their ships from using this international waterway into the Great Lakes. There are many phases of this subject that require very careful consideration before we enter into a contract with the Americans for the construction of this canal. There is no doubt that the canal would be a good thing for the interior of the North American continent. It would mean cheaper transportation and better facilities for all that country. But we have an alternative route in the Georgian Bay canal that would answer the purpose very much better from the Canadian standpoint. My hon. friend the member for Fort William and Rainy River (Mr. Manion) pointed out that there were some 30,000,000 people tributary to the great cities on the Great Lakes.

Mr. BROWN: Has there been any estimate made of the cost of the Georgian Bay canal?

Mr. CAHILL: An estimate was made some years ago, and it was put at about $100,000,000.

Mr. BROWN: For what depth of water?

Mr. CAHILL: I cannot give my hon. friend the exact depth, but it was to be deep enough for ocean-going vessels.

Mr. ARCHAMBAULT: Twenty-five feet.

Mr. CAHILL: The hon. member for Fort William and Rainy River pointed out that there were some 30,000,000 people tributary to the territory around the Great Lakes, but those people would be from three to four hundred miles closer to the St. Lawrence outlet by way of the Georgian Bay canal than by way of the St. Lawrence waterway; that is, between Fort William or Chicago and Montreal the Georgian Bay route would be shorter by about three hundred miles than the St. Lawrence route.

So far as power is concerned, there is ample power in the Ottawa river for many, many years. It was estimated by the engineers in charge of the survey of that waterway that about 1,000,000 horse power could be developed within a reasonable radius of the city of Ottawa. My hon. friend from Kingston (Mr. Ross) was talking of the necessity for power in his district. If he will come to my county he will find he can get power there at $12 per horse-power, which is cheap, if not cheaper than it can be had at any place in Ontario. We can develop power along the Ottawa river cheaper than it can be developed at any point in Canada. The Ottawa has numerous streams emptying into it over the Laurentian range which give a great deal of water power, all tributary to the Ottawa river as well as the power that can be developed on the Ottawa river itself. The Georgian Bay canal could be developed for less than the Canadian proportion of the St. Lawrence waterway, and it would be through all Canadian territory and under our absolute control, and therefore would involve no international complications. I am not saying that the government should rush into the building of the Georgian Bay canal at this moment, but if they are not prepared to build the Georgian Bay canal, they certainly should not commit themselves to the construction of the St. Lawrence deep waterway at this time. The Georgian Bay canal has been advocated for a great many years, and plans were prepared very carefully by eminent engineers, and I must confess, Mr. Speaker, that I am more converted than ever to the power of the press and of propaganda when the Canadian people have been brought to the point where they will seriously consider the St. Lawrence deep waterway in opposition to the Georgian Bay canal. A few years ago the Georgian Bay canal was the only proposal of this kind that was discussed in this country, before the great West was populated as it is to-day, and before it was producing the wheat it does to-day, but apparently this scheme has been dropped. There has been no appeal made to the people of the West to support the Georgian Bay canal as a cheap grain route to the East. The advocates of the St. Lawrence waterway have taken up that project and have campaigned vigorously in favour of it throughout the West, distributing literature and doing propaganda work until they have convinced a great number of people in western Canada and the western states that the St. Lawrence deep waterway would be the thing.

Mr. SALES: They have not convinced many in the West.

Mr. CAHILL: I trust the members of this House will consider the advisability of recommending to the government at the earliest possible date the construction of the Georgian Bay canal.

Mr. GOULD: I hope the hon. gentleman recognizes that the sentiment he spoke of in the West in favour of the St. Lawrence scheme does not represent western opinion.

Hon. J. A. ROBB (Acting Minister of Finance): Mr. Speaker, with the unanimous consent of the House I desire to move that this debate be suspended and that we now go into Committee of Supply for the purpose of putting through an Interim Supply Bill.

Mr. SPEAKER: I take it that it is the unanimous wish of the House that the debate be suspended for this purpose.

Motion agreed to.

INTERIM SUPPLY

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into Committee of Supply.

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

Mr. ROBB moved:

That a sum not exceeding $40,871,970.85 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, 1925, 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, 1925.

Sir HENRY DRAYTON (West York): A few years ago, there would have been a very, very fierce debate upon a resolution of this kind. The House would have been held up, and it would have been necessary, in order to do business, to find some method of choking off talk which was made for the purpose of preventing the ordinary business of the country from being carried on. But the years have passed and they have brought changes, some sad and some happy ones, and a happy change at any rate in this respect that there will be no attempt made to hold up public business. A few years ago, if we had the situation where parliament met for business in March, we would have heard very, very indignant speeches, and some of the most indignant and most forcible would have come from my right hon. friend the Prime Minister (Mr. Mackenzie King) as to the neglect of the government to call the House earlier and expedite public business. But, Mr. Chairman, we recognize that the country's business ought not to be held up by reason of government defaults and failures. If a contrary view prevailed, I am afraid an awful lot of things would be held up. And therefore on behalf of the official opposition, we consent to the usual grant for interim supply being now made, with the usual stipulation that all votes are open to consideration and censure. Everything is left wide open, as though this vote had not been passed.

Mr. LAPOINTE: You do it gracefully.

Resolution reported, read the first and second time and concurred in.

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 of the fiscal year ending 31st March, 1925, the sum of $40,871,970.85 be granted out of the consolidated revenue of Canada.

Motion agreed to.

Resolution reported and concurred in.

Mr. ROBB moved for leave to introduce Bill No. 20 for granting to his Majesty certain sums of money for the public service for the fiscal year ending 31st March, 1925.

Sir HENRY DRAYTON: I assume this bill is in the standard form.

Mr. ROBB: I understand so.

Sir HENRY DRAYTON: And that the grant is one-sixth the amount of the estimates as tabled.

Mr. ROBB: Yes.

Sir HENRY DRAYTON: Under that assurance, Mr. Chairman, there is no objection.

Motion agreed to and bill read the first and second time, considered in committee, reported, read the third time and passed.

PARLIAMENT BUILDINGS TOWER

Hon. J. H. KING (Minister of Public Works: Before returning to the previous order, may I table a report asked for in debate? One is the settlement with the architects, and the other the original cost.

ST. LAWRENCE WATERWAY

The House resumed the debate on the resolution of Mr. Archambault.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I think I can say in a few minutes all I wish to say on behalf of the government on this motion. The motion is entirely in accord with the government's own policy of getting as much information as possible before proceeding in any official way with this great project, and also of having the public as fully informed as possible on all the aspects and bearings of the question. The hon. member (Mr. Archambault) who has introduced the resolution has spoken very emphatically of the many important considerations which this country should take into account before concluding any treaty as far-reaching as a treaty relating to the deepening of the St. Lawrence waterway would be, and the hon. member for Pontiac (Mr. Cahill) who has just taken his seat has made mention of one consideration, namely the international complications that may arise at any time, which also helps to illustrate how important it is that every aspect and possible bearing on the question should be fully considered before anything in the nature of finality is submitted to parliament or is accepted by the government. It is for that reason the government has decided to appoint a national committee to advise on just such matters as have been referred to by hon. members who have spoken. The government recognizes that this is perhaps as large an undertaking as the country has ever been called upon to consider, and our view is there should be a national committee composed of outstanding citizens in whom the public at large will have confidence and to whom the government may look for careful, thoughtful advice in regard to the different aspects of the question. I may say I mentioned this matter a few days ago; my remarks will be found in Hansard of March 17, page 357.

The government has agreed to refer to an enlarged joint engineering board just such questions as the hon. member for Chambly and Verchères (Mr. Archambault) has mentioned, namely, the practicability of this scheme, its cost, and particularly the effect upon the river and lake levels. That will be an expert technical board which will report on that particular phase. The government has also appointed a small interdepartmental committee composed of officers of the departments of Railways and Canals, Marine and Fisheries, Public Works, Interior, Trade and Commerce, and Finance, to assemble such information as is contained in the departments of the government, and also to go carefully into this project from the point of view of the knowledge which government officials have in regard to it. These are all steps in the nature of caution, and if anything more is needed, it will be found in my announcement the other day that the government would not think for a moment of committing the country to any project as great as this, involving so much for both the present and the future as this project does, without first submitting the whole matter to parliament for its consideration.

Sir HENRY DRAYTON (West York): Before the hon. gentleman (Mr. Archambault) replies, there are one or two remarks that ought to be made. In the first instance, it seems to me that, perhaps, it would be wiser if we had not so many declarations from government supporters of absolute opposition to the scheme, when the whole of this matter is to be left very largely in the hands of government employees to say whether the project shall go on or not. If we are to have this investigation, it would be just as well that the engineers investigated it without a threat over their heads or the dice being loaded. In the second instance, it seems rather extraordinary that hon. gentlemen find so much difficulty in having truck and trade with the Americans in connection with a matter which can be very easily made definite, permanent and binding, while on the other hand, they are prepared to hand over the whole of the country's markets to those same gentlemen merely on the face of a gentleman's agreement.

Mr. MACKENZIE KING: Where does my hon. friend get authority for his last statement?

Sir HENRY DRAYTON: I do not think we need go very far to find it. We have only to refer to the old Reciprocity pact that my right hon. friend talks so much about which could have been changed the day after it was written as regards the American market.

Mr. MACKENZIE KING: It would have been a good thing for this country if it had been carried out.

Sir HENRY DRAYTON: I think it is really a mistake that we should talk in utter ignorance of the facts. One hon. gentleman said that the grain rate from Prescott to Montreal would be probably two cents, and much lower if the proper through rate was considered. He forgot that he was talking about eastern territory where rates have not been cut down by any Crowsnest pass agreement.

As a matter of fact, the grain rate from Prescott to Montreal is thirteen cents a hundred pounds, so it would be just as well if we were to find out the facts.

Mr. ROBB: Such nonsense!

Sir HENRY DRAYTON: I challenge my hon. friend to deny the authenticity of that statement.

Mr. ROBB: The hon. member is quoting the rail rate.

Sir HENRY DRAYTON: Certainly, the rail rate, and that was the rate that was quoted before. It would be really just as well, if we are leaving this case fairly to those engineers, that we should leave it without expressions of opinion on matters of which we know nothing.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. H. A. FORTIER (Labelle) (Translation): I rise, Mr. Speaker, to support the resolution moved by the hon. member for Chambly and Verchères (Mr. Archambault). This resolution aims at deferring the St. Lawrence waterway scheme. I congratulate the mover on the splendid outline he has given us on the subject. In my opinion, the government was quite right to appoint a special commission with instruction to look into the report of the International Joint Commission previously appointed. The St. Lawrence waterway project has such far reaching effects. Canada and the United States, at present, have gone so far into the matter that we cannot give too much study to the reasons invoked by one or the other party. It is quite proper that Canada should be cautious and not venture in such an undertaking without having first foreseen all the consequences. It cannot be denied, this project will entail an enormous expenditure. In the original reports, the engineers claim that the canal system of that part of the St. Lawrence river, between lake Ontario and Montreal, would cost at least $252,000,000; if, however, we take into consideration the whole scheme,—from the Great Lakes to the ocean,—it is quite certain that an undertaking of this nature would reach into the billions of dollars.

Lately, the members of parliament have been receiving numerous pamphlets, some favourable, others unfavourable to the scheme. When this question was first launched, I am convinced that the most interested parties were not citizens of this country, but rather citizens of certain states situated in the neighbouring republic.

In this country, in western Ontario as well as in the western provinces the necessity of such an undertaking has not been felt. No request, that I know of, has been made by those provinces.

Have we not all the means of communication that we need? Have we not, to-day, numerous and well equipped railways, that have cost a great deal to this country, which, nevertheless, are too numerous, considering our present population? Have we not spent millions of dollars in establishing a canal system on the St. Lawrence? We have canals which are necessary to us, also means of transportation by rail. It is therefore, not in Canada, but rather in the United States that such a request originated. The St. Lawrence waterway would be constructed from lake Ontario to the ocean, nine tenths of it on Canadian territory, that is to say, that there would only be one tenth of the St. Lawrence waterway which would be located between the United States and Canada. This afternoon, the hon. member for Kingston) (Mr. Ross) claimed that eastern Ontario was deficient in water-powers so as to distribute cheap electricity in its rural districts. If that is what is needed, I think it will be possible to solve the problem in another way and that it will not be necessary to undertake the work on the St. Lawrence waterway. Already, in eastern Ontario, part of the electricity is supplied by the St. Lawrence water powers, such as the Cedar Rapids plant. The Ottawa river can supply that hydraulic power. The development of the water power at Carillon alone would suffice to supply electricity to all eastern Ontario.

This project supported by the government would be to the benefit of the provinces of Quebec and Ontario. It would be necessary to dam the Ottawa river at Carillon, so as to develop this source of electric power and place it, at a reasonable figure, on the markets of the province of Ontario as well as the province of Quebec.

No great haste exists to carry out an undertaking of such magnitude. We have been at peace for a century with our neighbours to the south and it would be wrong to court occasions for misunderstandings, because this project might have the effect of wiping out the century old "entente mutuelle."

I again state, Sir, I share entirely the opinion so eloquently expressed by the hon.

member for Chambly and Verchères (Mr. Archambault) against the St. Lawrence waterway scheme. On the other hand, if the finances of the country were in a better condition, I do not think there would be a more popular project than the famous Georgian Bay canal.

We have not reached that stage; but I hope in the near future the finances of Canada will allow the government to carry out this project.

Mr. A. J. LEWIS (Swift Current): In the debate on the Address the suggestion was made by some hon. gentlemen that there had been a great deal of propaganda in the West for the deepening of the St. Lawrence; and there is no doubt in my mind that, if this work were done and at some time in the future we found this country saddled with a debt of $300,000,000 or even more, we might be told that it was western Canada that had launched this scheme. It is well for the House to remember, therefore, just what has been the attitude of hon. members from the West during the past three sessions of parliament whenever this matter has been discussed in the House upon resolution introduced by any member from the city of Toronto. So although there may be a good deal of propaganda on behalf of the scheme in the West, especially in my constituency this year, it is as well to remember that at least two years ago there had been already organized in the East an effective propaganda for the same purpose. In order to show that sometimes our friends in the East endeavour to saddle the West with the responsibility of initiating the project, I shall quote from an article which recently appeared in the Port Arthur Chronicle:

> Swift Current has the honour of being the first organized municipality in western Canada to take up earnestly the cause of the St. Lawrence deep waterways scheme and place it before the people of western Canada as a feasible and desirable public work.
>
> From Swift Current there recently was issued a little booklet written and published by Mr. Bennett, at his own expense, telling of the benefits that will accrue to the whole country through the development of the St. Lawrence system.
>
> This pamphlet is already beginning to bear fruit as witness the formulation of the first St. Lawrence Canal Association in the West.
>
> Not only should this national waterway be improved for the benefit that it would bring to the grain growers of western Canada, but as a link to bind the separated parts of the Dominion into one whole.
>
> Swift Current is to be commended for the honour it has done itself and Canada, and may nothing stand in the way of the movement spreading from that town to all parts of western Canada.

It would seem from this article that the original propagandists wished to place the burden and the responsibility for the proposed development upon western Canada, and I am simply rising in my place to emphasize the fact that similar propaganda had already been organized two years before the appearance of this article and before any organization was attempted in Swift Current. I have the honour of representing Swift Current, and it is true that a great many municipalities and boards of trade in my constituency have already expressed themselves in favour of the immediate construction of the St. Lawrence deep waterway scheme. But I do not altogether agree with some hon. members who reflect upon the intelligence of these western municipalities and boards of trade, for I do not think it is fair to assert that no investigation into the merits has taken place. We know that the scheme has already been investigated and reported upon. However, I am heartily in accord with the government's decision to institute a fuller and more specific investigation into the merits of the scheme. As showing the absolute necessity for this further investigation, we heard this afternoon an hon. member from my side of the House state that from a certain port in Ontario they could carry grain to Montreal for four cents, while shortly afterwards he was contradicted and told that it would be a matter of thirteen cents.

Mr. MILLAR: Is my hon. friend aware that I stated a fact and made an estimate? My fact was that grain is hauled long distances at a cent and a fraction a bushel. Does he deny that fact? As to my estimate, there is no similar condition with which to make a comparison where so many factors would be brought together all tending towards a lower rate. And, this being so, I made an estimate, which may be wrong, and yet it may be right. But does my hon. friend recognize that it was an estimate?

Mr. LEWIS: I am quite willing to admit that the hon. member has made an estimate, and I was not calling attention to it as such, I was simply endeavouring to show that figures on both sides have been used very freely. One article says there would be a saving of 10 or 11 cents between Port Arthur and Montreal when we know from the government figures that the entire rate from Port Arthur to Montreal was only 10.91 cents on the average in 1923. I was emphasizing the need for special investigation to show definitely what the real saving would be, and I called attention to the figure quoted by the hon. member to show that we were using figures in a very loose manner. When you

are considering a scheme that would involve the country in the expenditure of millions upon millions of dollars it is not wise to rely upon estimates only; we want to be certain that there is going to be a saving if the scheme is adopted.

I do not think that Montreal need fear the loss of much traffic, because Montreal is three hundred miles nearer to Liverpool than New York, and if the St. Lawrence waterway development scheme is undertaken there is no doubt that a great deal of freight would pass over it from the sixteen middle western states. That would assist Montreal a great deal; in other words, the volume of business would necessarily be increased. I heartily commend the government for wisely staying their hand in this matter for the time being, especially when there is a demand for economy. I hope the investigation will be full and in detail and that there will be no political pull or interference in any way so that an investigation may be held which will result in a sane report setting forth to the whole of Canada, the East as well as the West, the benefits that would result from the development of this great scheme.

There is another point that I would like to emphasize. If the proposal originated in the United States and involves chiefly the development of power which they so much need, I do not think the Canadian people should be burdened with the cost of it. But if it can be proved that there are advantages on both sides, that we shall have our share of the power and that benefit will accrue to the Canadian people as a result of the devolopment, then I hope the time will come when we shall be able to afford the expenditure necessary to carry the project to a conclusion.

Mr. J. A. DENIS (Saint Denis) (Translation): I do not wish, Mr. Speaker, to take up the time of the House and prolong uselessly the debate on this question. Representing one of the large electoral divisions of the metropolis of Canada, I deem it my duty to strongly protest against this St. Lawrence waterway scheme. The St. Lawrence river is the source of the prosperity and great development of the city of Montreal, and all which may affect this river is of vital importance to my fellow citizens. Considering the financial situation of the country, it does seem to me inadvisable to take up just now the St. Lawrence waterway scheme. I must, by the way, congratulate the government for having so clearly understood the present situation and endeavoured to economize, and, still more economize in order to extricate the country from the chaos in which it was so deeply plunged by the late Tory —Conservative government.

I wish, Sir, to assure my hon. friend, the member for Chambly and Verchères (Mr. Archambault), and my hon. friend the member for Hochelaga (Mr. St. Père), who also represents one of the large industrial and manufacturing divisions of Montreal, that I entirely share their views and that I shall, like them, strongly oppose this scheme which, in my opinion, would greatly prejudice the interests of the Canadian metropolis, and would, in no way, facilitate the cheap transportation of western wheat. If the Progressives are sincerely striving to better their lot, I think that instead of supporting this scheme, they would be doing far better by supporting the Georgian Bay canal project. This route would greatly shorten the distance between Montreal and Fort William and would allow them to transport their wheat on better conditions and at reduced insurance rates. I am fully convinced that the whole country would benefit by this last project.

The government should endeavour to develop, first, the projects having a national import before thinking of international undertakings.

The aim of the St. Lawrence waterway scheme, is clearly to seize the water powers of the St. Lawrence river for the greater benefit of the United States. It is the duty of all the representatives of the large metropolis of Canada to strive to preserve this asset which the waters of the St. Lawrence represent to us, and prevent them from falling into other hands and thus endanger the future progress of our beautiful city.

I shall close my remarks, Sir, by congratulating the hon. member for Chambly and Verchères for having drawn the attention of the House to this important question, and for having given proof to the whole country that, to safeguard the national unity, we must not support the schemes which aim at favouring one section only of the country to the detriment of the others, but that we must work together for the common cause, the national welfare.

Mr. T. L. CHURCH (North Toronto): Mr. Speaker, I have a motion on the order paper dealing with this same subject, and as the matter has been very thoroughly discussed here to-day, I should be very glad, with your permission, to withdraw the motion standing in my name and to confine my discussion of the subject to the present motion.

Two years ago a very admirable report

was presented on this proposed scheme by a commission appointed by both governments. They heard evidence on both sides from the point of view of engineering, finance, traffic and so on. The report subsequently brought in emphasizes the fact that the St. Lawrence is one of the great natural waterways of the world.

The cost of the improvements will be divided between the two countries. The scheme is entirely practicable, according to the engineers, and the cost will be less than that of any other proposed route. The United States government, under the late President Harding, and under the present president in his message at the opening of congress, have taken very strong ground in support of this project. I do not think that anybody in Canada can find fault with the policy of the government to have a further inquiry, provided it be not too long delayed. On the United States side of the inquiry commission will be such men as Herbert Hoover. The report of the last commission has dealt with all phases of this question, but if there is any further information it is in the interest of the country that it be made known. This question should not be approached from any sectional standpoint. What should govern is the greatest good for the greatest number. It is one of the most important economic problems of the North American continent to-day and a right solution of that problem will mean a great deal to the future of Canada, not only eastern Canada but the country as a whole.

For the reasons I have given, and as the government has announced its policy, I support this resolution for the production of papers, and ask leave of the House to withdraw my motion.

Mr. SPEAKER: Before the hon. member for Chambly and Verchères (Mr. Archambault) addresses the House, if any other hon. member desires to express his views on this question, the time is now. Meanwhile I will put the formal motion: Is it the pleasure of the House that the hon. member for North Toronto (Mr. Church) shall have leave to withdraw his motion, No. 26?

Motion agreed to and resolution (Mr. Church) withdrawn.

Mr. JOSEPH ARCHAMBAULT (Chambly and Verchères): Mr. Speaker, this motion being for the production of documents and the Prime Minister having assented to it, I shall refrain from answering the arguments made by hon. members who have spoken in the debate, reserving my right to discuss them if this question should arise on another occasion. I wish, however, to correct a statement made by the hon. member for Fort William and Rainy River (Mr. Manion). He stated that during my address I said that the construction of a bridge between the city of Montreal and the south shore was more important than the project of the deepening of the St. Lawrence channel. I did not express it that way. What I stated was that it is very difficult for members in the present financial crisis to tell their constituents that many useful and reasonable local projects must be sacrificed because of the state of our finances, and it would be much more difficult in my own case to ask my constituents and those who live in the district of Montreal to refrain from asking the government to contribute directly in the building of that bridge if the government was to go into such an expensive undertaking as the deepening of the St. Lawrence channel. I am sure my hon. friend did not wish to misquote me, but probably the cause of his mistake was that I was speaking in French at the time, and I was not speaking Toronto French.

I also wish to answer one word of my hon. friend the ex-Minister of Finance (Sir Henry Drayton). He compared the St. Lawrence project to the reciprocity pact of 1911 and waxed very indignant about the control of our markets that we were supposed to give to the United States by that pact. I may tell him that by the reciprocity pact we were not giving away any control of any kind to the United States, that in this project we are giving joint control to the United States over a most valuable asset of Canada, and in waxing indignant it was my hon. friend himself who lost control.

Sir HENRY DRAYTON: Will the hon. gentleman allow me a question?—whether or not under present existing treaty rights of the United States that country now has the right of navigation in the inland waters?

Mr. ARCHAMBAULT: Yes, there is no doubt that they have the right of navigation, but they cannot supervise navigation; they cannot build dams, for instance, or make rulings about navigation on the St. Lawrence. But if we were to adopt the project that my hon. friend likes so much we would give to the United States joint control over everything pertaining to the St. Lawrence, that is quite different.

Mr. MILLAR: May I ask the hon. member a question?

Mr. SPEAKER: Only by unanimous consent.

Mr. MILLAR: It is partly to put myself right. Unfortunately I was not in the chamber when reference was made to figures I quoted this afternoon. Reference has been made to present rates. May I ask the hon. member, who is more familiar with that route than I am, if he has ever known of a full carload of wheat being shipped from Prescott to Montreal.

Mr. ARCHAMBAULT: I think there has been wheat shipped from Prescott to Montreal.

Mr. MILLAR: Was there ever a carload shipped that way?

Mr. ARCHAMBAULT: I cannot say for certain. I do not see the point of my hon. friend's question.

Mr. ROBB: I might say that some years ago, the Montreal Transportation Company built a very large elevator at Prescott, it is there yet, and millions of bushels have been put through that elevator. Some of the grain is shipped to Montreal by water and some by rail.

Motion agreed to.

INDUSTRIAL RELATIONS

MOTION FOR APPOINTMENT OF SELECT STANDING COMMITTEE

Mr. J. S. WOODSWORTH (Centre Winnipeg) moved:

That, in the opinion of this House, it is advisable to appoint a Select Standing Committee to deal with all matters coming before the House which involve industrial relations.

He said: I am in the happy position of being able to introduce what I think is a non-contentious resolution. We have a number of standing committees in the House dealing with a great variety of subjects, banking, marine and fisheries, mines and minerals, railways and agriculture and so on. There is no committee charged particularly with questions with regard to labour and other matters affecting the relations of the people. It has seemed to me that there are a number of questions that might very well be sent to such a committee. We had last year amendments to the Criminal Code and Immigration Act which were sent to special committees. Some measures are being pressed this year that will have to be dealt with by committees. The government is becoming more and more related to the industrial life of the country. We have now our own national railway system; we are constructing a great many public works; and we have connections with various contracts which involve the Fair Wage clause and that kind of thing. It seems to me very necessary that there should be every facility given for discussion and understanding of these various questions in this House. We have been urging upon labourers and employers alike that, where possible, constitutional and parliamentary methods should be adopted in solving these problems. I take it, then, that we should have the machinery for a very full consideration of these questions. I have no intention whatever of arguing the case tonight. It seems to me the proposition itself is eminently a reasonable one. If the farmers feel in connection with their agriculture that they ought to have a committee, we in the Labour group feel that we might very well have a similar committee to deal with labour questions. I offer this as a suggestion to the government and the House, and would be very glad if the government could see its way to accept it.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The hon. member for Centre Winnipeg (Mr. Woodsworth) was kind enough to mention to me before the House met this year that it was his intention to introduce a resolution of this kind, and he will recall I expressed to him the view that I hoped he would do so. I see no objection whatever to the object of the resolution. I would like, however, to point out to my hon. friend that we already have a very large number of select standing committees. I think the number of select standing committees in our parliament is about twice the number in the British House of Commons, although, of course, we have not more subjects or subjects of larger magnitude to consider. Each additional committee means something in the way of additional expense, not a very great expense to be sure, but nevertheless it does entail an extra clerk and stenographer or two, and other additional expense.

The government has been considering this matter and we feel that possibly the object my hon. friend has in view would be met, and a still larger object attained, if we were to consolidate two of the committees that are now separate committees, and form a new select standing committee on industrial relations; broadened, however, so as to make it not a standing committee on industrial relations only, but a committee also on international relations. Of recent years the importance of both of these classes of questions has very greatly increased. Members

of the House will notice that more and more time has been taken up ever since the war with the discussion of international questions, such important matters for example as the one referred to in a question asked by my hon. friend from North Toronto (Mr. Church) relating to the Singapore base. There have been many questions relating to the matters that came before the Imperial Conference, and I venture to say that every few weeks we shall be discussing in this House some question of international import. It may well be that a select standing committee to consider these international questions would serve a very useful and helpful purpose. True, any subject can be referred under the rules of the House to almost any committee if there is relevancy at all, and so the House is not precluded from having any matter considered in a select standing committee, but there is an advantage, when committees are being chosen, in placing on each committee those members of the House who are likely to have a special interest in and a special knowledge of the questions to be discussed. I think the combination of industrial and international problems would be a very proper one. International questions deal in very large part with industrial matters, and certainly our industrial problems are becoming more and more international in character. To add a new select committee would require an amendment to Rule 10 of the House. That would require a couple of days' notice. But if members of the House generally approve of the idea, the government would be prepared to bring in an amendment to the rules suggesting a consolidation of two of the select standing committees and the formation of a new select standing committee on industrial and international relations. If that meets with the approval of my hon. friend I have no objection on behalf of the government in sanctioning the resolution as it stands.

Sir HENRY DRAYTON: To what extent would the minister substitute the statutory powers of the Minister of Labour by powers given to this committee? I notice they are to have full power to deal with all matters.

Mr. MACKENZIE KING: Powers to be given to this committee, I assume, are similar to powers given to other select standing committees; in regard to any matter that may be referred to the committee by parliament, the relations of the minister will be just what they are to-day.

Mr. WOODSWORTH: I would say that the suggestion of the Prime Minister appeals to me to be a most excellent one—far better than my original resolution,—and will carry out the purpose I had in mind.

Mr. SPEAKER: Is the resolution pressed, or is it to be withdrawn?

Mr. WOODSWORTH: Is it necessary to have an expression of opinion of the House? If not, I will simply withdraw the resolution.

Resolution withdrawn.

SOLDIER SETTLEMENT

Mr. W. J. WARD (Dauphin) moved:

That, in the opinion of this House, the abnormal deflation in the value of all farm products which has taken place since the year 1920 and which has been reflected particularly in the economic position of the returned men who have gone on the land under the provisions of the Soldiers Land Settlement Act, renders it imperative that immediate consideration be given to the question of a substantial reduction of their capital debt. And that a committee of this House be appointed to whom this matter may be referred with instructions to review the situation and report to parliament at the earliest possible date this session.

He said: Mr. Speaker, I introduce this motion only after having made a most exhaustive survey of the situation as it exists in my constituency, and also, since coming to Ottawa, after having surveyed the question from the broader aspect in discussions with various members of this House. I made that survey of my constituency and of other portions of Manitoba in company with, not only the local supervisors, but the district supervisor for Manitoba. Therefore, I introduce this question with a full realization of all that is involved in making a physical revaluation. If I were to suggest the measure that, I believe, would be in the best interest of the soldiers of my constituency and of the taxpayers of the Dominion of Canada, I would advocate a complete cancellation of the whole account. My reason for making that statement is this. After having made a survey of my constituency 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. 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. I think the chairman of that committee, whom I see in the House to-night, will recall that almost daily I waited upon him and urged that revaluation should take place; that I was sure it would have to take place some time. I think we have arrived at the time when revaluation is the only possible solution if we intend to retain the soldiers on the land. I secured some figures from the department at Ottawa on the question of abandonment and so forth, and I will give the figures for all the provinces in the Dominion:

	Percentage of abandonments
British Columbia	17
Alberta	19
Saskatchewan	14
Manitoba	25
Ontario	16
Quebec	34

That prosperous province!

	Percentage of abandonments
New Brunswick	23
Nova Scotia	15
Prince Edward Island	16

This makes an average of 18.1 per cent of abandonments. Nor does this tell the whole story. In discussing this question with the chairman of the Soldier Settlement Board at Ottawa the other day, I learned that the field supervisors, in submitting their reports, classified their soldiers something like this. There is a class that they call "good;" there is another class that they call "fair;" there is another class that they call "doubtful," and there is a fourth class that they term as "likely to quit." In the class that is likely to quit there were 12 per cent. If you add the 12 per cent of those who are likely to quit to the 18 per cent of those who have already quit, we have 30 per cent that have practically abandoned their farms. In the West we hear a great deal about mixed farming; in fact, to-day it is held out as the panacea for all our ills, and many of the soldiers in my constituency have attempted to readjust their position and tried mixed farming, but it has not stopped the exodus.

I have under my hand a report from the municipality of Lakeview which, I think, is in the constituency of Neepawa. In the Lakeview municipality there were settled 101 soldiers under the Soldier Land Settlement Act, of whom 53 have already abandoned their farms. One of the supervisors in my constituency advised me, just before I left for Ottawa, that 100 soldiers had left his district in the last twelve months.

I do not intend to go into this matter at any length to-night. Other members are present who, I know are anxious to say a few words on this particular question. I feel that with the situation as it exists to-day, there will be very little opposition to the matter of appointing a committee of this House, and we shall have an opportunity of discussing the question when the report of that committee, if one should be appointed, is submitted to the House. As the hour may be late when we conclude this debate, I do not intend to say more than merely to introduce this question, and I may have a few remarks to make in closing the debate. I would point out to the government, however, that if the purpose of the Soldier Settlement Act, namely, to establish the soldiers on the land, is to be effective, something must be done to build up the morale, to stimulate the hope and to improve the psychological condition of the soldiers. If something is not done, I am convinced that within two years from now, in Manitoba at least, we shall have lost practically all the soldiers.

Mr. CARROLL: Has the hon. gentleman gone into many of the reasons why, say, 18 per cent of our soldiers have left the land?

Mr. WARD: In making the survey that I mentioned at the outset of my remarks, I visited personally in the neighbourhood of one hundred soldiers' farms, went into their homes, talked the matter over with them and asked them why they were not able to make their farms pay. The question is simply one of high cost of production and low-priced products. Another reason that might be mentioned is that in many of the districts the soldiers were settled on land on which they should never have been settled. I have here the prices that were paid for land in the various provinces of Canada, and it may be interesting to hon. members to learn just how much was paid on the average in the West. In British Columbia the average price was $54 per acre; in Alberta $18 per acre; in Saskatchewan $17.50 per acre; in Manitoba $20 per acre; in Ontario $38, and

in Quebec $30, the average over the whole lot being $22.50. In Manitoba, where the average price was $20.25, I have no hesitation in stating my opinion that no honest and practical man would value any of the land sold to the soldiers at more than $10 per acre. I am convinced of that. I believe that the land was sold to these men at prices that were at least 50 per cent more than should have been charged. I do not want to charge anything like wrong doing, because everything was inflated at that time. But there is no doubt whatever that these men paid altogether too much for the land they got. Land was greatly inflated then, and very high prices were paid for stock also, cows, for example, were selling then at $125 each, and I know of several teams of horses that were bought for returned men at as high as $500 and $550 apiece. It was exceedingly unwise, in the first place, to buy such expensive horses for the returned men going into the backwoods and on the frontiers; and high prices were paid for cows that are to-day worth not more than $20 apiece. This accounts largely for the failure of these men to meet their payments.

I want to reiterate, because of its importance, the fact that while the financial insolvency is a very serious matter, what I call the psychological insolvency is not less serious. Let me give an illustration of what I mean. I visited a home about a year ago last fall, and although the returned man himself was somewhat downhearted, at the same time his wife appeared to me to be rather elated; she had some hope of being able to augment the family budget, since she had decided to go into the raising of ducks. She raised 75 ducks last year, a beautiful flock of birds, and in the fall she crated them and shipped them to Winnipeg. In return she received a cheque that netted her 22 cents apiece for these ducks. You can imagine the pscychological effect of this circumstance upon that soldier's wife. Only the year before she had entertained high hopes of being able to help the family by providing the means for obtaining the necessary clothes and groceries which they would require. And this is what happened. I say, Mr. Speaker that the psychological conditions that surround the lives of a great many of the returned soldiers are such that it is impossible for them to carry on. I am sure that the House and the government will show in some way their appreciation of what the soldiers have done for us. Do not let us forget these men who went overseas and endured a virtual hell to save loved ones, homes and country and the lives of others who stayed at home fortifying ourselves against the days that were to come. I think that this parliament owes it to the returned men to show them every consideration which it possibly can. I will not take up more of the time of the House. but I beg to bring my remarks to a close with an expression of hope that the government will see its way clear to appoint a committee to go fully into the matter; and I shall be glad to give any information that I may possess, as I am sure other hon. members will be only too ready to do.

Mr. ROBERT FORKE (Brandon): I wish to add a few words to what has been already said by the hon. member for Dauphin (Mr. Ward). I think the hon. member is in a better position than any other hon. gentleman to speak for the province of Manitoba. Unfortunately, Mr. Speaker, this is a subject, one might say, of almost tragic importance, and I desire the House to be fully seized of the situation and to know that all is not well with the soldier settlers. We have heard some glowing reports in regard to this matter, and while I do not suppose that they have been intentionally misleading, nevertheless it seems to me that this House should be made aware, as it is not, in my opinion, of the precise situation in reference to a great many of the returned soldiers out on their farms in the prairie provinces where I am acquainted. No doubt we have had right intentions so far as our dealings with the returned soldiers have been concerned. We are proud of the fact that no other country has done so much for those who went to the war as has the Dominion of Canada. However, we must not allow ourselves to feel that we have done all that we can do and that everything is all right. If anything can be done more than we have done we should seriously consider the matter and ascertain in what way we can relieve the situation of the returned men.

An hon. member on the other side of the House asked why the returned farmer soldiers had got into the condition in which they found themselves to-day. Well, it is not very difficult to answer that question. The House is continually hearing stories about the difficulties that confront the whole agricultural population of the country at the present time. We know that farmers who own their own farms, their own stock and implements, are experiencing great difficulty in keeping their heads above water, and when we reflect that the returned soldiers had to face a handicap when they went upon the land, I do not think we shall be surprised to find them in straitened circumstances to-

day. There came to my office to-day a gentleman of ability, a man who had spent a number of years in the war. He told me that on his return he thought at first that he would find comparatively little difficulty in settling down; but, he added, so soon as he tried to buckle down he discovered that he could not, and it was quite a while before he was able to get into his stride. That is something that must be taken into consideration. We must remember, too, that a great many of these men were not highly experienced agriculturists, and they went upon the land because it offered an attraction: they naturally wanted to live an independent life and to earn an income that would support them. When the soldiers began to settle on the land in large numbers in 1919 and 1920, at the time the great bulk of the land and the stock and implements were bought, everything was at the highest price; things were higher then than they have been in the last fifteen or twenty years. With your permission, Mr. Speaker, I am going to read some extracts from a few letters I have received. These letters are not anonymous; they are all signed, and while I will not give the names, I may say that the writers are all prominent business men in different towns in the province of Manitoba. The first is from the town of Eriksdale:

> In this district the settlers are having great difficulty to content themselves to stay with the farm as they realize that it is going to be a hard proposition to keep up these payments, for the number of years they will be obliged to, in order to clear themselves of the debt which is hanging over them.

The next comes from the town of Carman:

> Settlers are on the poorer land as the board would not purchase the best land at from $70 to $100 an acre. They will have a hard time paying for the land unless they go in for mixed farming, as it is very light.

I have another one from Eriksdale:

> There are very few if any soldier settlers in this neighbourhood making much progress as the majority started when prices were at their peak.

Another comes from Dominion City:

> Unless conditions are made much better for the farmer the land is not worth any more now than it was in 1913. Unless a change is made soon the soldiers can never make it pay, as they had to pay far too much to get a start.

The last one comes from Minnedosa:

> 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 is signed by Hugh M. Dyer,—General Dyer, who made a name for himself in the war and who I am sure is a friend of the soldier. I have read these letters to show what is the general opinion all over the province of Manitoba as to the condition in which the farmers find themselves.

It is difficult enough for the soldiers, but the municipalities are suffering too. They are not able to collect taxes from these lands. As a result, in many districts in the province where soldiers have been settled, the schools are being closed and the children are receiving no education. We also find considerable debts due to the hospitals for treatment given soldier settlers and their dependents. I have a list before me of the various municipalities in Manitoba, with the number of soldier settlers and the number of those who have been forced to abandon their farms; but I will not deal with this because the hon. member for Dauphin (Mr. Ward) has already given the percentages and I need not duplicate his remarks. But I find that the unpaid taxes in Manitoba—and this is not a complete list by any means—amount to about $42,000, while unpaid hospital bills run to over $3,000.

In order that the House may understand some of the circumstances that surrounded the purchasing of land for soldier settlers, let me give the figures respecting a quarter section. The land was obtained originally from the provincial government in 1906 for $720; in 1917 it was again sold for $1,760; but the Soldier Settlement Board paid $4,500 for the quarter section—a rise from $720 to $4,500. There is no doubt about these figures, and I can verify them at any time. If the original owner bought the land for $720, how in the world does anyone expect a soldier settler to be able to pay $4,500 for it, buy his stock and implements, and make a living? It is an utter impossibility, and the quicker the man gets off the land the better.

Mr. ROBB: What province was that in?

Mr. FORKE: Manitoba. I think there should be a thorough investigation. I am not blaming anyone for graft or other dishonest dealing. It is well known that the soldier settlers came into possession of their land, and bought their stock and implements when everything was at the peak. As I have already said, the farmer without any encumbrances on his land finds it difficult enough to make ends meet; but these poor men are up against an impossible proposition. When I think of some of these soldier settlers with their wives and families in the newer districts enduring hardships and confronted with many trials and difficulties, and then remember what the men did for us when the Empire was fighting for its very existence, I feel that we in our turn cannot do too much for them, and I would ask this House to institute a thorough investiga-

tion into all the circumstances, because I do not believe for a moment that our people wish to see the slightest injustice done to these veterans who were willing to sacrifice their lives that we might be free.

Mr. JOHN MILLAR (Qu'Appelle): Mr. Speaker, having a goodly number of returned soldiers in my constituency, and knowing the condition in which many of them now find themselves, I cannot conceive of any resolution with which I am more heartily in accord. I will not dwell at great length on this question because it has already been pretty well covered. I believe the scheme was perfectly sound in its inception, but unfortunately it was started at a very bad time, at a time when land, horses, implements and everything else were at the peak and just starting to decline in value.

I have visited some of these returned soldiers, and they have appealed to me for support. A very great majority of them are very economical and hard-working men, and many of them are not as strong physically as they were before they went overseas. I have one man in mind now whom I visited last fall. He had a tidy place, and everything looked thrifty. He was not a strong man physically, in fact he was in a nervous condition, and probably he will never be as strong again as he used to be; and yet he was doing wonders, working long hours. He had built a cowshed of poles and straw, and although there was only about $45 worth of lumber in it, the result was a credit to any man. He was doing all that any farmer could possibly do to make a living, yet he was in financial difficulties.

In some cases the land purchased was not of good quality. The man I refer to was fortunate in having a sound knowledge of land and was able to pick a very choice quarter section, but where the men were not good judges they had to depend on inspectors of the Soldier Settlement Board to pick out their farms. The board itself at the outset had to take on untried men, and in some cases these men were not properly qualified for the duties required of them. Later on, I believe, this trouble was overcome, but in the meantime a goodly number of soldiers were placed on land that was not just suitable for farming. I do not know that anybody in particular was to blame, but that was the situation.

These men did their very best for us, they served us, as has been well said, faithfully and without stint. While some of us were able to profit by the war, these men sacrificed everything, and I should very much like to see this resolution taken seriously in order that we may help such deserving cases. Difficulties lie in the way, but I do not think they are insurmountable, and if we could have a revaluation made of the land and property it would give these men fresh hope and renewed courage to try to hold on to their farms. Otherwise they will slip away from this country the same as the 30 per cent already referred to. I have some letters also from returned soldiers somewhat similar to those read by my leader (Mr. Forke) but I do not think it is necessary for me to place them before the House. I wish to give the resolution my most hearty commendation and support.

Mr. ARTHURS: The hon. gentleman said that land was bought in his province for soldier settlers at the peak price. Does he mean to imply that it was bought at more than its ordinary market value?

Mr. MILLAR: No, for the most part it was bought at the regular price. Land, horses, everything was high; but in some cases land was bought for more than it was worth. I could give instances where land was bought at three times what it was worth, but these were isolated cases.

Mr. ARTHURS: I am sympathetic with the motion and am merely asking for information. Was the value of the land in the district referred to passed upon by the local inspectors?

Mr. MILLAR: It was passed by an inspector of the Soldier Settlement Board, but I do not care to dwell very much on this particular case, because I dealt with it in a former session and then took it up with the Soldier Settlement Board. It was an isolated case, and I do not know whether anybody connected with the board was to blame.

Mr. ARTHURS: As I said before, I am most sympathetic with the motion and am desirous of doing everything possible for the returned soldier. I am trying to get fixed in my mind the conditions in the West, and I think my position is similar to that of all other members in this section of the House. I heard the hon. member who introduced the motion state that in his province land was purchased at $22 an acre while the leader of the Progressive party (Mr. Forke) read a letter stating that land had been bought at from $70 to $100 an acre. I am simply asking for information.

Mr. FORKE: I want to make a correction. The letter I read stated that the Soldier Settlement Board would not buy land at $70 and $100 an acre.

Mr. ALFRED SPEAKMAN (Red Deer): Mr. Speaker, I would like to say just one or two words in support of this motion, and also to make a suggestion. Anything that goes to make a farm—land, equipment and stock—is of value eventually in proportion to the value of products which can be sold from that farm. Land may be sold, and possibly be resold, at a high price, but if a man has bought it and intends to make it his home, to live on it for twenty-five years and pay for it, he must pay for it eventually out of the value of his products, and it is the low value of the products in comparison to the capital debt on the farm that has largely brought about the present situation.

The act was orginally, I believe, a good act, but with the changed conditions its provisions became inadequate to meet the situation. Of course none of us expected at that time that there would be such a tremendous deflation of values, particularly in the comparative values—that is, the purchasing values—of farm products. I am not attaching blame to anyone, nor should any blame be attached. The matter is one in which all members of the House are equally interested, and I think, equally sympathetic. Two years ago we had hoped that the difficulty was met; we attempted honestly to meet it. But since then matters have developed and the soldiers' position has become worse. As the conditions change and as matters become worse we must change our act, if necessary, to meet the existing circumstances, just as we tried to do two years ago. However, I do not intend to speak of that so much as to point out one or two of the complexities of this problem which make it necessary that some such committee as has been suggested be appointed if the problem is to be dealt with intelligently, as it must be if it is to be dealt with satisfactorily.

There is the question, for instance, whether such readjustment of the capital debt should be retroactive, and if so to what extent, Some men have paid a good deal on their lands and others have paid very little, so the question whether it shall or shall not be retroactive must be given consideration. There is also the question of the basis of the revaluation, whether it shall be a physical revaluation or a revaluation by percentage. I think we pretty nearly came to the conclusion in 1922 that a physical revaluation was almost an impossibility, that is, to send men to every farm to value them in accordance with their respective market prices. In some parts of the country there is no market price because there is no demand for land and no land exchanging hands. But in any case the expense involved in making a complete and systematic investigation of every parcel of land and of all the equipment and stock on these parcels of land would be almost prohibitive. Further, it would to a certain extent discriminate against the careful settler in favour of the settler who was not so careful. The more careful a settler was, the better he farmed his land and the better the condition in which he kept his stock and equipment, the less would be the deflation in value, so that such a physical revaluation would to a certain extent discriminate in favour of the careless settler.

The question also comes up as to localities. There is no doubt that certain localities were not well adapted to farming and that there is greater deflation in those localities than in others. On the other hand, if the percentage basis was taken, if you simply reduced the capital debt by a given percentage, I suggest that you might have to adopt some kind of sliding scale percentage, based possibly to some extent on the locality and also to some extent on the years during which the purchases were made.

These are the complexities of the problem, and they have to be faced. In the first place, we have to safeguard the men who did so much for us, because after all it is not merely a matter in their case of dollars and cents; it is not simply a colonization problem. We endeavoured to assist these men, to put them on a better footing than that on which they would have been had they not taken out these loans—that was our purpose, in addition, of course, to our attempt to increase production through that method of colonization. The suggestion I would make, then, would be this. If the government see fit to accept this resolution, and I most certainly hope they will, I suggest that the reference should be somewhat widened. The resolution itself would refer to a committee simply the matter of a decrease in the capital debt. Now, that is involved with other matters; it is almost impossible to consider a subject of that kind by itself. I would therefore, with the permission of the House and of the mover of the resolution (Mr. Ward), move to amend it by inserting after the word "matter" in the second last line the following words:

"together with any other question relative to the operations of the Soldiers Land Settlement Act,"

The last paragraph would then read:

And that a committee of this House be appointed to whom this matter, together with any other question relative to the operations of the Soldiers Land Settlement Act, may be referred,—

And so on, I hope that the mover of the resolution will agree to the amendment and that the House will adopt the resolution as amended.

Mr. JAMES ARTHURS (Parry Sound): Mr. Speaker, I asked one or two questions a few minutes ago, but not with the intention, as I stated then, of opposing the motion now before the House. It has my heartiest support; I honestly believe that something should be done to ameliorate the conditions of these men now upon the land. I agree with the hon. member for Red Deer (Mr. Speakman) that perhaps the motion does not go far enough to provide for an inquiry. into all the circumstances, and I question whether the motion in its original form might not bring upon the country a greater expense than the saving to the soldiers.

There is no doubt that many of these men bought land when the land was at the peak price. Generally speaking the land was largely in the hands of local men whose honesty or dishonesty was well known throughout the community, and I think that on the whole they did the best they could under the circumstances. Since that time, not only in the West but in some portions of eastern Canada as well, the conditions have changed, and there is very good reason for the proposing of a motion of this kind at this time. We have an example in this respect that our friends to the left may not have noticed; the Dominion of New Zealand is at present engaged in revaluing all the lands sold in that country to returned soldiers. These lands were sold on a basis of a term of purchase of thirty-five years, a much longer term and with much smaller payments than applied in the case of our men, who were supposed to make a payment of ten per cent before the land came into their possession at all. New Zealand did not experience the boom that we had during the war period, for reasons which it is unnecessary for me to enumerate to-night, but they have found it necessary to revalue all these lands. I am thoroughly prepared to support a motion of this kind, whether moved by the hon. member who proposed it (Mr. Ward) or by any other member of the House, and I think that in doing so I am voicing the opinion not only of the group which immediately surrounds me but of every returned soldier in the House. I have some doubt whether it would be wise or unwise to make this retroactive; I have very grave doubts whether it should be on a percentage basis; but these are matters that should be threshed out by a committee of this House, and when we all put our heads together, those who are in favour of any action along this line and those who are opposed, we can no doubt suggest some plan whereby we can give these men presently on the land by our volition, not their own perhaps, fair play in this matter. I am in favour of a committee. I am opposed to a commission because I think it would take too long, cost too much, and not be entirely in the interests of those we desire to serve. So I support most heartily the amendment of my hon. friend from Red Deer (Mr. Speakman).

Mr. D. W. WARNER (Strathcona): Mr. Speaker, I wish to associate myself with those who are supporting this resolution. I prefer the resolution as amended because I think it covers the ground better, but I feel that I would hardly be doing my duty if I did not support this motion for a committee of the House. I have discussed this matter with the returned men in my constituency. There are many there who are in financial difficulties, as there are in other places. I visited them personally and talked with them, in order to get their viewpoint. The resolution asks for a revaluation. I am not particular myself whether it is a revaluation or a percentage cancellation of the debt. I think that could best be worked out by a committee of this House, after going into the matter thoroughly.

I might, however, give the views of many different men I have talked with. I asked for their ideas regarding a percentage cancellation of their debt, simply because I was led to believe from the former inquiries held that a revaluation would be very difficult. I asked them how much of their debt they felt should be cancelled in order for them to make good under present conditions, and their opinions varied all the way from thirty to fifty per cent as the percentage to be cancelled before they would be able to pay up and hold their land. But the committee would be able to determine that better than I could from the information I have.

I realize that from whatever angle this problem is attacked there will be difficulties. There are difficulties in a revaluation. If we have a percentage cancellation the man who has made the best and most intelligent effort, and who has been perhaps the most industrious, would be penalized more or less unless the cancellation were made retroactive. The soldier himself might be blamed in some cases, but on account of the deflation in

values it is only the man who has had good experience and is very favourably situated who could have made good. I feel that we were all to blame more or less. I felt quite pleased when the government first decided to undertake this land settlement scheme. We needed the soldiers as producers, and we needed to find a place for our soldiers returning from the war, and this offered an opportunity. In some cases men have undertaken farming operations without proper experience, but I think that conditions generally are to blame more than anything else. I do not think that the men who were locating these soldiers, in many cases at all events, were dishonest or did anything dishonourable, but conditions are so bad that we must look into them, and I think that a committee of the House is the best way to deal with the question, and that is why I support the suggestion. The government will lose in any event. If they wait for the soldier to leave the land, discouraged as he would be, the government will lose in that way. If the soldier stays on the land and cannot pay, the government will lose in that case. So we have to make the best of conditions as they are, and it is for us to do what we can to provide a remedy to do the best we can for these men. For these reasons I am in favour of a committee being appointed.

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishment): Mr. Speaker, though I do not pretend to know the provisions of the Land Settlement Act in detail, still I feel that I should say a few words on this occasion. As the House is aware, the administration of the Land Settlement Act is vested in the hon. the Minister of Immigration and Colonization, but at the present time my hon. colleague (Mr. Robb) has such important duties to discharge as Acting Minister of Finance that I felt perhaps the House would pardon me if I rose and said a few words on this occasion on behalf of the government.

The debate which has taken place has been in more than one regard informative. It has brought home to a very large number of members of this House some conditions not at all favourable which prevail amongst the land settled soldiers. The act which was passed some years ago was passed unanimously by this parliament with the best of intentions. At that time it was foreseen and expected and hoped that soldiers who decided to avail themselves of the privileges of the act would in time succeed in their new avocations. It is well to remember that at that time the price of land in Canada was at its peak, and almost without a moment's warning, after a large number of soldiers had availed themselves of the provisions of this act, the price of cultivated land in Canada started to decline. To-day conditions for agriculturists generally throughout Canada are far from being favourable, as we are all ready to admit; but what of the condition of the soldier who has to bear in addition the burden of the interest on a very large loan which he has received at the hands of the government? Taking all in all, it is impossible to say that the act has been a failure. In my opinion the act has been a success. It is almost miraculous that such a small proportion of the men who have entered upon this scheme have decided to abandon it or have been unable to carry on. Loans, generally speaking, have been repaid in a very respectable measure. The hon. member for Red Deer (Mr. Speakman), has pointed out, I think perhaps better than any other hon. member who has spoken on this subject, the course that would likely be adopted as the more favourable, both from the point of view of the soldier settler himself and the country. My hon. friend from Dauphin (Mr. Ward) is asking that a committee be appointed for the purpose of investigating the subject and reporting to the House for its action. Every session since the war ended, the House has appointed a committee to deal with soldiers' affairs generally, with the exception of last year. Two years ago the committee generally known as the committee on Pensions and Re-establishment sat for many weeks, and not only examined the question of re-establishment and the question of pensions, but also dealt extensively with the question of land settlements, and submitted to the House a report on which certain action was taken, relieving in a certain measure the bad lot of the land settled soldiers. Last year no committee was appointed. This year the question of appointing a committee of a like kind has been under consideration by me for a number of weeks. I have so far not made up my mind whether such a committee would be indispensable or not. All that has been said this evening by hon. members who addressed the House would lead me to believe that a committee of the kind should also be appointed this year. Moreover the final report of the royal commission appointed to investigate and report upon the question of re-establishment will be submitted to the House within, I understand, two or three weeks, if I am to rely on the communications that I have received from the chairman of that commission. It will probably be necessary to appoint a committee

when this report is laid on the Table of the House, in order to devise truly the proper legislation which will be indicated on the face of that report. I would make a suggestion to my hon. friend who has moved the resolution (Mr. Ward), and the hon. members who have supported it. If he will allow his motion to stand or to drop, I will undertake to move for the formation of a committee within a few weeks, in order that both subjects I have referred to—that is the one discussed this evening and also the final report of the commission—may be submitted to this committee. The investigation should not take very much time. I believe that if the committee were appointed, say in three or four weeks, it would be all that is necessary in order to discharge the duties that will be expected from it.

Some reference has been made, Mr. Speaker, by the hon. leader of the Progressive party (Mr. Forke) to the duty which this country owes to returned men. I do not hesitate for one moment to concur with the remarks which have fallen from his lips. I remember once in my capacity as medical man I had given my care and attention to a friend of mine who had been ill for a number of weeks, and happily nature came to my rescue very considerably and my friend recovered entirely. After a little while he sent me a note in which he said, "I wish you would tell me what that part of my debt towards you consists in, that which you call your doctor's bill. As far as the other part of my debt is concerned, I can never discharge it." I think the country may make the same statement to the returned men. The part of our debt to these returned men which is not counted in dollars and cents can never be discharged adequately. So far as I am concerned, I will in all possible ways assist my hon. friend who has moved this resolution, and if he will allow the matter to stand for two or three weeks, until we get the report of this commission, I shall move this committee, and all the subjects referring to the soldiers may then be gone into fully.

Mr. ARTHURS: It may be somewhat difficult for a private member to secure, before the formation of this committee, a copy or a substantial synopsis of the legislation passed by the government of New Zealand or Australia. Will the hon. minister endeavour to obtain for the use of members of the committee a copy of the legislation at present in operation in New Zealand or Australia? This can be easily secured, I imagine.

Mr. BELAND: I think that is feasible and we should be able to obtain that information within three or four weeks.

Mr. MEIGHEN: I think the legislation of New Zealand or Australia will be in the Library just as quickly as it can come here. It comes over as fast as it can be sent.

Mr. WARD: I would be quite willing to agree to the request of the minister, if he will assure us that ample time will be given for the consideration of matters that it would be necessary for this committee to consider. There is one other question that I should like to emphasize.

Mr. DEPUTY SPEAKER: If the hon. member speaks on this motion, he will close the debate, he being the mover of the motion. Therefore, if any other hon. member wishes to speak, he should do so now.

Mr. WARD: Another matter that has come to my notice quite frequently is regarding pensioned soldiers who have taken land under the Soldiers' Land Settlement Act. While these men are pensioners, apparently they are not eligible for treatment from the Department of Soldiers' Civil Re-establishment doctor, and the thought in my mind when I suggested that there might be an amendment to the motion making wider the scope of inquiry was that these men should at least be afforded examination or some treatment free of charge by the doctor of that department. If, however, the minister will assure us that there will be ample time to hear any witnesses who may wish to come here, to consider the question fully and to submit a report to the House before the conclusion of this session, I shall be glad to agree to his suggestion.

Mr. DEPUTY SPEAKER: Does the hon. member who introduced the amendment consent to withdrawing it?

Mr. SPEAKMAN: I shall be glad to consent to that, because this will cover not only the point that we wish to cover, but other points of equal importance.

Amendment withdrawn.

Motion withdrawn.

CRIMINAL CODE AMENDMENT—HALF-BREED SCRIP

Mr. D. M. KENNEDY (West Edmonton) moved the second reading of Bill No. 5, to amend the Criminal Code.

He said: Mr. Speaker, this bill is a bill

to amend section 20 of chapter 25 of the statutes of 1921. We discussed this matter two sessions ago and it is up again at this session. I introduced the bill last session, but it did not reach the second reading. Objection has been taken to the amendment that was passed to the Criminal Code in 1921, because at the time it was passed, certain half-breeds on the borders of northern Alberta and the provisional district of Mackenzie had made somewhat strenuous efforts to secure an adjustment or redress in connection with what they claimed was a very severe grievance. Scrip was issued to half-breeds residing in the Northwest Territories, that is in the district of Athabaska, in the years 1900 and 1903. P.C. No. 918, passed on the 6th May, 1899, reads:

The practice heretofore followed in satisfying such claims under that provision has been.

1. To issue scrip, redeemable in land, to the extent of $160, to each half-breed head of a family, on proof of residence in accordance with the terms of subsection aforesaid.

That is subsection (f) of section 90 of the Dominion Lands Act.

2. To issue scrip, redeemable in land, to the extent of $240, or scrip entitling the grantee to 240 acres of land of the class open to homestead entry, at the option of the claimant, to each child of a half-breed head of a family on proof of such residence.

The minister therefore recommends that as to the half-breeds of the territory to be covered by the proposed treaty the following policy be adopted:

1. That every half-breed occupier of land in the said territory be confirmed in possession to the extent of 160 acres.

2. That scrip, redeemable in land, to the extent of $240, or at the option of the grantee, scrip entitling the grantee to 240 acres of land of the class open to homestead entry be granted to each half-breed found to be permanently residing in the said territory at the time of the Indian Treaty and not to have previously received scrip in extinguishment of his claim.

The Indians of the territory were met by the treaty by which they still receive treaty money and they also got the reserves. As regards the claims of the half-breeds, due to the fact that they were persons with mixed white and Indian blood, their Indian claim was extinguished through the issue of scrip, redeemable in land. A number of those scrips were issued in that territory, and it is claimed that several hundreds of persons living in the northern boundary of Alberta and in the Northwest Territories, were defrauded in connection with the transfer of scrip and its location. When the leader of the opposition (Mr. Meighen) was Prime Minister of Canada, he visited the city of Edmonton in November, 1920. On the 11th November, a delegation of two half-breeds met him in the Macdonald hotel at Edmonton and presented this petition.

The petition of Philip Atkinson and Alexa Lafferly humbly showeth:

That your petitioners are persons of mixed white and Indian blood, residing at or near Fort Resolution, in the province of Alberta, and that your petitioners have been delegated by a number of persons of mixed white and Indian blood, residing in the environments of Fort Resolution, Fort Smith and Fort Chippewyan, seeking redress for what they believe to be a real grievance and to ask that justice be done them.

The next paragraph goes on to state that between the years 1900 and 1903 scrip was issued to a certain number of persons under certain conditions; and the third paragraph reads:

That unscrupulous speculators following in the wake of the commission entrusted by the hon. Minister of the Interior with the delivery of such certificates or half-breed scrip and, taking shameful if not even criminal advantage of the illiteracy and ignorance of the half-breed, purchased such scrip from the holders, paying—

And this is the point.

—paying therefor a proportion of the agreed purchase price, and agreeing to pay the balance, together with the expenses of the vendor in travelling to and from the land office at such time as the vendor might be called upon by the purchaser to come to the Dominion Lands Office and file upon the parcel of land located and selected by the purchaser. Many of the unscrupulous purchasers, instead of bringing the vendor to the land office and paying him or her the expenses of such trip, together with the balance of the agreed purchase price, by fraud, perjury, subornation of perjury and forgery procured other persons to appear at the land office and represent themselves to be the persons named in the scrip, and to file upon the land selected or located by the purchaser, and to forge the name of the real vendor to transfers and other documents in connection therewith, thereby committing a fraud upon His Majesty's government and a fraud upon the vendor. That in the north country in the neighbourhood of Forts Resolution, Smith and Chippewyan, there are several hundred half-breeds who have been defrauded and with respect to whose scrips His Majesty's government has been defrauded. And your petitioners pray that a commission be appointed to inquire into—

And so on. The then Prime Minister took the petition with him to Ottawa and it was turned over for attention to the Department of the Interior, the minister in charge at that time being Sir James Lougheed. A reply was sent from the department signed by Mr. Coté to the effect that requests of this kind for investigaion had been presented to the department on several occasions previously and that the department had not seen fit to take action. It was said in the letter:

The question has been before the department on several occasions in the past, and in view of your petition has again been considered. The scrip certificates issued in satisfaction of half-breed claims and scrip notes issued by the department were delivered to the grantees personally, and it is not considered that

the department can be held responsible for subsequent action taken in connection with the location of the scrip; and if there were any fraud perpetrated in connection therewith it was open to them to take ordinary proceedings before the proper courts.

Now, the department having taken the stand that they had no further responsibility, and that such a length of time had elapsed that it would be difficult to dig up evidence that could be relied upon, suggested that if anyone had a grievance the right thing for anyone having a grievance to do was to go to the proper court. Consequently action was taken by a returned soldier, one John Graham, of Edmonton. On April 5, 1921, this man laid a criminal information before Lieutenant-Colonel G. B. McLeod, Police Magistrate for the city of Edmonton, charging a certain Edmonton millionaire with uttering a forged document in procuring a half-breed scrip. The result of the preliminary hearing before Magistrate McLeod was that Mr. Richard Secord of Edmonton, a prominent millionaire and the man referred to, was committed for trial before the first court of competent jurisdiction. That was in April 1921. The charge was that Mr. Secord had bribed a half-breed woman with $10 and a grey shawl to go with him to the Dominion Lands Office and there represent herself to be the holder of a particular certificate which belonged to a woman who was then living at Fort Rae. It was alleged that Mr. Secord had purchased the scrip from, I believe, Mrs. Elizabeth Hyslop, and had paid her a part of the agreed purchase price on condition that her expenses to Edmonton would be paid along with the balance of the agreed purchase price when the land was located. This scrip was located near Edmonton by the other woman, while Mrs. Hyslop was living about seven hundred miles northeast of Edmonton, near Lake Athabasca. As I have said, the result of the preliminary hearing was the committal of Mr. Secord for trial.

When we discussed this matter two years ago we spent a good deal of time dealing with the Secord preliminary trial. I want hon. members to bear in mind that this case was tried after the department had taken the stand that very little could be done by them, or that it was inadvisable for them to take any steps because it was almost impossible to get direct and reliable evidence in the matter. The complaint made by these half-breeds was not that any particular man, but that many unscrupulous speculators, had followed up the men who were issuing scrip to half-breeds, and had taken advantage of the ignorance of these people. I want to read an extract from the Morning Leader, of Regina, in this connection. It refers to the trial at Edmonton and its result, and also makes reference to the amendment that was made in the Criminal Code. Most of the newspapers in the West during the year 1921 seemed to think that the amendment to the Criminal Code shut out the possibility of proceeding further with the Secord case. Be that as it may, here is the point:

That the objectionable amendment in question was designed to cover more than the Edmonton case appears to be more than likely, for more than one reputed millionaire in the West owes his financial position to the utilization of just such practices as those alleged in the Edmonton case. Saskatchewan is not without representation in this class of half-breed scrip millionaires whose shady practices had brought them within reach of the law until a kind-hearted government at Ottawa legislated specially for the purpose of relieving them of all further liability to prosecution for their criminal offences.

The foregoing is from the Morning Leader of Regina, Saskatchewan, of August 23rd, 1921. The point I make is that whether or not this amendment was retroactive and affected the Secord case, it did shut out the possibility of prosecuting others who might be guilty and against whom action had not been commenced at that time. Now, Mr. Speaker, let me examine the amendment itself. It reads:

Any offence relating to or arising out of the location of land which was paid for in whole or in part by scrip or was granted upon certificates issued to half-breeds in connection with the extinguishment of Indian title.

This was inserted in the list of offences covered by the limitation of actions. In section 1140 of the Criminal Code we find:

That after the expiration of three years from the time of its commission no action shall be commenced if the offence be—

(1) treason, except treason by killing His Majesty, or where the overt act alleged is an attempt to injure the person of His Majesty,

(2) treasonable offences,

(3) any offence relating to the fraudulent marketing of merchandise; or,—

Then this amendment was inserted as paragraph (4). At first glance, it would seem to deal merely with an ordinary fraud in connection with the location of land paid for in scrip. But apparently it covers any offence, no matter how serious it may be, if it is at all connected with the location of land which was paid for in whole or in part by scrip. If the guilty person keeps out of the way for three years, and action is not commenced, thereafter he is immune. I cannot see any reason for this limitation.

Mr. MARTELL: As I understand the statute, action can be brought at any time within three years, and once information is laid and a warrant obtained the statute of limitations would not operate.

Mr. KENNEDY (Edmonton): Forgery in connection with the title to other lands does not come within the statute of limitations, and the wrongdoer can be proceeded against even after the lapse of many years. And this is quite right. Such an offence is considered to be so serious, that the guilty person may be sentenced to life imprisonment. For subornation of perjury the punishment may be fourteen years' imprisonment. This restrictive amendment to the Criminal Code deals specifically with offences relating to the location of land paid for in whole or in part by scrip or granted upon certificates issued to half-breeds in connection with the extinguishment of Indian title; there is no similar limitation in respect to other cases of fraud of the same nature.

Mr. MARTELL: Will my hon. friend state what under the law is regarded as the commencement of an action?

Mr. KENNEDY (Edmonton): I am not a lawyer, but I may say that in a case of forgery there is no limitation of three years, and I claim there should be none when the offence is connected with half-breed scrip. People throughout the western provinces to-day are convinced that this legislation, introduced within fifty-five days after Mr. Secord was committed for trial in the city of Edmonton—the case having been started to demonstrate to the authorities at Ottawa that substantial evidence could be adduced in support of the claims of the half-breeds—some people I say are convinced that the amendment was passed to save, if not Mr. Secord, at least some others who possibly may have been as guilty as he in connection with the filing of other half-breed scrip in western Canada.

Now, Mr. Speaker, I hope the House will accept this bill to restore the code as it was previous to 1921. As I say, the amendment created a very bad impression throughout the West and has tended to discredit our parliamentary institutions. Therefore I hope that parliament will repeal the objectionable amendment in order that any people who have a grievance may get redress through the courts, or possibly through an investigation by the government itself.

Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, when a similar bill was introduced two years ago it was accepted unanimously by the House, and therefore I do not see why I should object to this bill to-night. However, I do not think it is necessary as far as the special case is concerned to which my hon. friend (Mr. Kennedy) has referred. It was the opinion of the Department of Justice two years ago, and is still, that the amendment introduced in the Senate in the session of 1921 had no retroactive effect in that special case because the proceedings had been commenced before the amendment was enacted by parliament.

Mr. KENNEDY (Edmonton): Would the minister state what effect it would have in other cases?

Mr. LAPOINTE: I am not sure that in cases in which the limitation or prescription had previously applied, this law would revive the offence which had been prescribed under the amendment of 1921. However, as I said before, there is no objection on my part to the bill being accepted by the House.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I certainly do not rise to oppose the second reading, any more than I did two years ago. I had not the least objection to the bill passing then, nor have I now, and I do not complain at all of the hon. member's introducing a bill on this occasion. What I do complain of is the intimation that he still seeks to press, that the amendment of three years ago was passed for the purpose of relieving a wealthy man in Alberta, and his attributing to the government and parliament of that day this intention which, he says, has had so baneful an effect through his province. He tells us to-night—

Mr. KENNEDY (Edmonton): Does the right hon. gentleman wish to deny that it has had that baneful effect?

Mr. MEIGHEN: Not at all, but the responsibility for that baneful effect is upon hon. friends to my left. That the baneful effect was there I do not dispute. This was part of the dust storm raised by hon. gentlemen to my left—I am afraid I must include also some in front of me—in that campaign. It was all part of a malevolent and wholly foundationless propaganda that the government was always the friend of the rich. In this particular case they said that the government passed through parliament legislation to relieve a millionaire in Edmonton, and did it after the Minister of the Interior, and the Prime Minister even, were warned of the great crimes that had been committed and after the Department of the Interior had acknowledged that they were

powerless and had sent those who complained of the crimes to the courts. The newspapers were full of it. As I explained two years ago, I never even heard about the amendment until I reached Alberta and found the press alive with this frightful allegation against the administration. I explained at the time that such a bill passed when a prosecution was on could have no effect on the prosecution. But of course that could not be accepted; it had to go forth for the political effect it might generate; it had to go forth that the government had used the instrument of parliament to save its friends of the wealthy class against the poor half-breeds who were seeking to prosecute. So it went forth and so the baneful effect was produced. When this repealing bill was first introduced in the House I urged that the original legislation never affected the Secord case at all. I explained it in the plainest possible terms—

Mr. KENNEDY (Edmonton): What about the other cases?

Mr. MEIGHEN: Well, I am at the Secord case now. It never could have affected the Secord case, and it was the Secord case that was filling the province of Alberta. I never heard of any other; in fact I never heard until now. If such a thing was mentioned two years ago it did not sink into my mind.

Mr. KENNEDY (Edmonton): Did the right hon. gentleman read the petition that was presented to him?

Mr. MEIGHEN: I suppose I did. I do not doubt that there were general allegations in the petition, but if the hon. member ever attains office he will get a lot of petitions and he will not find it very easy to carry each line and each sentence in them for any great length of time in his memory. I am speaking of the Secord case. I made it clear it could not have applied; that no one with the faintest knowledge of law could have imagined that it would apply; that all it did was to place in the category of a three-year prescription this offence, the same as many others which were in a like category.

It would, of course, while it was in operation prevent prosecution of others where the offence dated back beyond the prescription fixed in the statute, but as to the Secord case it did not apply. I did not know anything about the amendment at the time, and as to those members of the House who were at that time members and are here to-night, I venture to say that not one of them recalls it even now. Very well; not only did I take that position, but other hon. members of the party here took the same view, and the Minister of Justice was frank to state and state most openly and clearly that it did not apply to the Secord case; that such was his opinion and the opinion of his department. But the hon. member makes his motion to-night and does not inform the House of that fact; does not say, as I think he should have said, that it could not have been introduced with any reference to the Secord case at all. And I fancy he would hardly think there were some others who, we feared, might be prosecuted and whom we were going to shield. The motion to-night should have been divorced from all reference to any special case at all. If there is reason in the public interest that the amendment should pass and that the prescription should be removed, all right. The government accepts it; I personally have no objection whatever.

Mr. FORKE: Just as a matter of information what reason was there for passing that sort of legislation in connection with scrip land more than in connection with any other forgeries?

Mr. MEIGHEN: There was no more reason than for passing other legislation that many a time passes this House.

Mr. FORKE: That does not explain it.

Mr. MEIGHEN: What about all the other prescriptive legislation in the statutes? Other forgeries were already prescribed.

Mr. FORKE: That does not explain why it was necessary in this particular case.

Mr. MEIGHEN: The minister who had charge of the bill in the Senate—for the bill originated there—had the matter brought to his attention, I do not know by whom; I have asked him and he cannot remember by whom. But he mentioned to the Senate that he knew of one case in which he knew where prosecution had been entered alleging an offence some twenty years old. He knew of that himself, consequently he felt there should be a prescription, and this three years was inserted. That is all the connection he had with it. My hon. friend laughs.

Mr. FORKE: That looks fishy.

Mr. MEIGHEN: It looks fishy does it? Well the hon. member does not do credit to himself to reflect on the honour of another member of parliament unless he has some reason so to reflect.

Mr. FORKE: I have the reason of the circumstances that have already been explained: that special legislation was passed

at that particular time when a very shady transaction had taken place in connection with scrip lands. I have good ground for my suspicions.

Mr. MEIGHEN: Well the hon. member can entertain the ground all he likes. All I am seeking to urge is this: That it could never have applied to the Secord case, could not have been dreamed by the member who introduced it to have applied. The member who introduced it is a lawyer of some standing; he could not have had any such belief. As to whether he had in mind someone else, I have his own word that he had not. I never heard of any other case myself. But if hon. members want this passed, why, it can be done. I notice that a point is raised by the Minister of Justice (Mr. Lapointe) as to whether a repeal now would revive heretofore prescribed crime. I would not like to express an opinion on that myself, I never had the point raised; but I should have thought it would. Personally I earnestly hope that the actual state of the law is such that it will revive; that the legislation passes, and that the government of Alberta is free to go ahead full steam—and then we will see what will be the effects of this amendment.

Mr. D. F. KELLNER (East Edmonton): Mr. Speaker, I think that when this amendment was brought in, the Attorney General of Alberta took the ground that it did apply to the Secord case. I realize that possibly he is not a competent authority to pit against the right hon. leader of the opposition (Mr. Meighen).

Mr. MARTELL: How could it apply if the information had been laid prior to the bringing in of that amendment?

Mr. KELLNER: I do not wish to discuss that matter. I am giving you the authority, and the opinion—

Mr. MARTELL: I would like to read the opinion of that man. If he said that, he is not fit to be attorney general.

Mr. KELLNER: I am very sorry that the hon. member makes a remark of that kind, for I understand that the present government is elevating him to the bench.

Mr. MEIGHEN: I doubt very much if he gave that opinion. I would like to see the opinion produced. I know who the gentleman was.

Mr. KELLNER: I hardly understand the leader of the opposition. Do I understand him to say that the attorney general did not make that statement?

[Mr. Forke.]

Mr. MEIGHEN: I can hardly believe that the Attorney General of Alberta gave the opinion that the legislation would apply to a case where prosecution was already entered, and if he did it would be a curiosity to have that opinion produced in this House.

Mr. KELLNER: I am sorry I could not produce the evidence other than what is contained in the press. I am quite convinced it was contained in the press of Alberta at the time. If that was not the ground he took, it seems to me a remarkable thing that the prosecution was dropped. I can hardly see what excuse he could give if he thought that it did not apply, for there had been a conviction in the lower courts. I think the leader of the opposition has possibly taken this thing too seriously in so far as it applies to the Secord case. I think those who would like to see this amendment go through have no ambition to prosecute that case in particular. I think they desire to clean up many of these cases, and there are many men in Alberta who profited largely in these matters. I think it would be a good thing to pass this amendment and let them take their chances. I am quite convinced that sufficient time has elapsed. No one will get an unfair deal of any kind; and those not guilty have nothing to fear. There is an element of suspicion in the whole transaction, as our leader (Mr. Forke) suggested a moment ago. At the time, it was thought possible that some prosecutions would take place, and I think members will agree that there was a demand for that amendment from some source. Some felt that they had to take to cover, and they thought they needed that amendment. If it is the policy of the parliament of Canada to provide ways for people to evade their responsibilities, well and good; but on the other hand, if it is the policy of the parliament of Canada to see that criminals are brought to justice and have to take their chances under the statutes of Canada, then I think this amendment should be made.

Hon. J. B. M. BAXTER (St. John City and Counties of St. John and Albert): There seems to be an element of confusion in this matter, and perhaps if there was a little more law and a little less politics there would not be any difference of opinion among the members of this House. We are treated to newspaper extracts instead of to legal opinions, and so long as the law of the country is to be administered by the newspapers we shall probably have a very unique result, but one that, perhaps, will not always be in accord with law as a science.

There is no use in exchanging legal opinions in this House with gentlemen who profess they have no legal opinions, and who rely on the newspapers for their information as to law. The very extracts that have been quoted to-night show clearly that the newspapers have been actuated by political motives rather than by legal principles. We ought all in this House to be quite prepared to accept the legal opinions of the responsible officers of the Department of Justice. Two years ago when another gentleman, who had entirely the respect of this House was acting as Minister of Justice we had those principles enunciated by him. To-night, when a gentleman equally respected by the bar of Canada is occupying the position of Minister of Justice, we have those principles repeated without the slightest deviation, and we have not before this House one single syllable in support of the assertion that the Attorney General of Alberta ever took a position contrary to that enunciated by two Ministers of Justice of the present government.

There was a statement made by my hon. friend from Argenteuil (Mr. Stewart) that the deputy attorney general had apparently thought the prosecution could not succeed. That hon. member was not speaking at all in a legal sense, and two years ago I suggested, and I have never found that my suggestion has been met in any way that probably the difficulty in the Secord case was because they found they could not get the necessary evidence after a great lapse of time. That has sheltered many a criminal, great and small, in this country and in other countries, and there is no necessity to reflect upon the honourable gentlemen who occupy or have occupied distinguished positions in the province of Alberta. Every trial lawyer knows it is one thing to state an offence; it is another thing to prove it. You can only prove it by documents or human instruments, and sometimes one and sometimes the other, and sometimes none, is available, and without strict proof we cannot and we ought not to obtain conviction. You should not obtain conviction upon newspaper articles nor upon political prejudice. If we come down to that the level of the country will fall very low indeed, and we shall not improve matters if we attempt to tinker with the criminal law here solely from a political point of view.

No one in this House, as I understand it, is objecting for one moment to the repeal of this legislation which is being objected to. At the same time there is no reason why this House should assume that the Secord prosecution was one whit affected by that amendment which is so strenuously objected to. It was not, and it could not have been, and you can take what you like as the answer, but it must be one of a very few things. Either a blunder was committed by someone in knowledge of law, or the evidence was not available which would warrant the law officers of Alberta to assume that the prosecution could possibly be successful. I prefer the latter alternative, having respect for the law officers of Alberta. But whichever alternative is correct, that matter was settled absolutely in Alberta by people who could not be considered as in any conspiracy or in any connivance with members of a former government of this country. They had it entirely in their own hands, and if Secord has escaped any punishment that he merited he escaped it by reason of some failure in the province of Alberta, and not by any action of this parliament.

Now we are invited to consider other criminals, or possible criminals, who have not been prosecuted. Every one of them could have been prosecuted. Within three years from the passing of that objectionable legislation no one laid an information. Why? The law did not stop it. Perhaps the facts were not available. I think we can go a little further than that. I look at the debates of this House of two years ago, and I find that the hon. gentleman who introduced the bill made extended reference, and I think he has repeated it to-night, to a certain petition which was said to have been presented to my right hon. friend (Mr. Meighen) asking, in effect, for an investigation of land frauds. He also presented quite fully to this House the reply of the Minister of the Interior, and while I do not wish to take up much time of the House, I think it is only fair to refer to a portion of the answer of the Minister of the Interior, who, as reported at page 3214 of Hansard of 1922, stated:

> Since the beginning of 1900 about 4,800 claims have been satisfied by the issue of land scrip calling for some 1,153,092 acres nearly all of which have been located and patents therefor issued either to the grantees of the scrip themselves or to their assignees. Many of these patents covering thousands of acres were issued nearly 20 years ago, the titles passing through many hands, and to question such titles now would, in the opinion of the department, be very injudicious and could result in no benefit.
>
> Moreover, many of the original grantees and witnesses are dead and it would be impossible, at this date, to locate many of the others or obtain satisfaction or reliable evidence relating to these transactions which took place so many years ago.

Now, if it is a matter of punishment, no one in this House wants to prevent the hand of justice falling heavily upon a man who has committed a crime. But time enough elapsed for anyone who knew the facts to enable a prosecution to be brought, and I presume successfully brought, against anyone who committed a fraud. The half-breed would not be particularly interested. They would get nothing out of the prosecution. Some one might be punished, but the half-breeds would not be restored to their rights. The hon. gentleman who introduced this bill two years ago was pressing this matter, and I think I heard him read to-night this demand for an investigation. But will anyone show me how the passage of the bill that is proposed to-night will result in one iota of an investigation into these 4,800 cases in which there may have been, and probably has been, some fraud? When we find the whole strength of the case put upon the Criminal Code, coupled with the extracts from the newspapers, and coupled with the suggestions we have had, and I think the rather unfair suggestion from the hon. leader of the Progressive party (Mr. Forke) I think I am not unfair in making the deduction that this assumes entirely a political aspect. If my hon. friend the leader of the Progressive party and his stalwart supporters want to help the unfortunate half-breeds, why do they not introduce legislation into this House providing for that investigation, accompanied by provisions which will restore to the half-breed the rights of which they have been defrauded? When they content themselves with animadversions upon the change of the law which they wish to get rid of, and do not follow up the desire for the investigation, then I stamp the attack as purely a political one, as malicious as it is insincere, and as dishonest in its character as the stories of the land frauds, as it seeks to destroy the character of a man who ought to be considered beyond the pale of such attacks.

Now, are we to have some measures which will restore to the half-breeds the rights which, it is said, have been taken away from them? What measure of compensation has been proposed? What honest endeavour has the government been asked to make, and what honest assistance is the leader of the Progressive party prepared to give to restore to the half-breeds anything which has been taken from them? Do they know of all the cases? Can they point to one case where such a thing has happened? They come here two years afterwards with no more and no less information than they had two years ago. They come here with the eternal whine and eternal calumny and nothing better. No one objects to the passing of the bill, but what we do object to is the attempt to make the passing of this bill a vehicle of political persecution.

Mr. W. F. CARROLL (Cape Breton South and Richmond): I am not going to enter into any discussion of the merits of the case which my hon. friend may have had in his mind when he moved the resolution, but I do think that the Minister of Justice will be well advised if he does all in his power to pass this amendment. I have some serious doubts as to the form of the proposed amendment, but that will be a matter for the committee to which the bill will be referred. I believe that there should not be in the minds of any of the people in Canada any idea that justice is being perverted in this country. I say I do not know whether it has been or not, but the hon. members on the other side who spoke on this subject must be aware of the fact that they had three years to lay the information in this case, and if they had laid an information they were not prevented—I am giving the opinion of a humble lawyer—from pursuing that criminal information to the end, by having a jury bring in a verdict either of guilty or of not guilty in the case of the parties who were charged, notwithstanding any legislation that might be brought down in this House.

Mr. KENNEDY (Edmonton): You refer to the Secord case?

Mr. CARROLL: I am referring to any case this act might cover in any way. If there is an information, if the case is pending in court, unless there is something in the amendment which brings these informations to a conclusion immediately without going further, then the information may be followed, if the persons behind the information want to bring it to a conclusion, by having a jury return a verdict of guilty or not guilty. I do not know the facts of the Secord case, but I wish to say that if there is in the minds of hon. gentleman from the East, the West or the centre of Canada any idea that legislation has been instrumental in allowing criminals to get clear, then I say we should go into that matter and show the people who had that suspicion that the parliament of Canada will not be a party to that. That is the only reason I have risen. I think the Minister of Justice will be well advised if he does everything in his power to have the amendment

to the Criminal Code passed; and then if my hon. friend from Edmonton (Mr. Kennedy) who, I believe is sincere in this matter, or his friends who are promoting the cause, wish to lay an information against Secord or others they will have an opportunity of doing so. May I point out that the limitations in the way of bringing criminal charges and in the way of actions at civil law are not new. We have various limitations; practically every criminal offence you can think of, outside of capital offences—I am not speaking by the book just now, but I mention those—has those limitations. There are limitations in civil matters, in the case of slander, in the case of libel, and in the case of debt; and it may be the government of the day—I am making no charge against them—has no thought in the world of letting Secord or anyone else go free, but I say again if there is a suspicion in the mind of any part of the general public in any part of this country that an injustice has been done, or that an act has been committed whereby a criminal was prevented from being brought to justice, it should be remedied, and if the amendment of the hon. gentleman from West Edmonton is going to remedy that kind of thing, I would strongly advise the Minister of Justice to allow this measure to become law; and if criminals have escaped owing to the amendment, they may be brought to justice.

Mr. W. A. BOYS (South Simcoe): I know nothing about the facts of the Secord case, nor of any of the other cases, nor have I made any study whatever of the section in question; but as I sat and listened to the discussion in reference to the question of reviver, I was prompted to say just a word or two. It seems to me that the offence in question has not been extinguished at all. It is merely a case of limitation of prosecution being imposed. Let us assume for a moment that some one is charged with the offence in question after the passage of this proposed amendment, and counsel for the defence takes the point that the prosecution is not warranted owing to lapse of three years. I presume he would immediately be asked by the Crown prosecutor to cite his authority for his position. The limitation having been removed from the statute, it would not be there and could not be cited; there would be no section of the act stating that the prosecution must be commenced within three years. Therefore, I venture to suggest that if this proposed amendment becomes law, no matter how many cases there may be, the prosecution of them could be taken up and proceeded with. There seems to be a consensus of opinion from all quarters of this House in favor of the amendment, by all means let it be passed, let the doors be opened wide, and if any persons have been guilty of any such offence as is suggested, they can be successfully prosecuted.

Mr. L. H. MARTELL (Hants): It seems to me that it is a very absurd proposal at this late date to make retroactive legislation. As I understand this matter, although I have no knowlege of the Secord case, an information was laid and a limitation of action was passed concerning offences of that nature. The information having been laid in the Secord case and the amendment that has been passed not being made retroactive, it could not affect that case. It was, therefore, open to the officers of the Crown or the informant or private prosecutor to press the matter from a preliminary trial to get the party accused committed for trial, then to have him brought before a grand jury, and if the grand jury found a true bill, to have him brought before a petit jury and either a verdict or an acquittal secured. As the hon. member for South Cape Breton (Mr. Carroll) and the hon. member for South Simcoe (Mr. Boys) have stated, statutes of limitation apply in all cases, both in civil and criminal matters. We have also other laws of somewhat the same nature, although they are not statutes of limitation, and those statutes have obtained for a great number of years. For instance, in some provinces there are statutes to the effect that a person cannot bring an action for the price of goods bought, if they be of a value of forty dollars and upwards, unless some memorandum appears in writing or some of the goods have been received and so on. This is commonly known as the statute of frauds. These are restrictions on the rights of people to bring actions. There are also limitations of actions for slander, actions for libel. There are limitations in the Criminal Code as to bringing prosecution in cases of assault, bribery, criminal libel. This is done for the protection of persons. Supposing such a limitation of action was not to be found in the statutes, insinuations might be made against a certain person; the action probably would not be brought for say ten or fifteen years afterwards, and the accused would be devoid of all his evidence that would enable him to make a complete and proper defence. The law in its wisdom has determined that it is absolutely essential to have limitations of action. Yet my hon. friend opposite seems to think that by this

amendment he is going to have this Secord case revived, I would say that would be an absolutely absurd thing to do. Secord, at the time the information was laid against him was undoubtedly in possession of all the evidence that would enable him to carry on his defence. The statute was passed. It probably was not passed to meet the Secord case; it was passed in order to protect the public generally. He probably has lost his evidence; he probably has lost his means of making a complete defence on the merits of the matter. Therefore, to come back to-day and say that we should pass an amendment to the Criminal Code enabling that particular case to be tried again is unfair. It would be just as well to say that, because we have discovered evidence to-day in regard to an assault that a man committed twenty years ago, we should pass an act stating that the limitation as regards action for assault should not apply to assaults committed twenty years ago. We must have a termination in these matters. That was the wisdom of legislatures in days gone by; and so long as we tamper with these principles that have stood the test of time, we shall be legislating to meet mere insinuations as they arise. This is simply a statute of limitation of action, and I think my hon. friend should be satisfied with the law which is made, not for one case, but for all people.

Mr. D. M. KENNEDY (West Edmonton): We are gettting tied up in our discussion with the Secord case. I am not particularly interested in the Secord case; but I am particularly interested in this, that the contention of the department "no evidence was available" does not stand, and that this calls for an investigation. That result of the Secord trial demonstrates that the department was wrong, and I think that is sufficient for our purpose as regards this case.

As regards this cry about limitation of action, I am not a lawyer; I never studied law; but to-day I read in Crankshaw's Criminal Law this:

> In the common law there is no limited time for the prosecution of proceedings at the suit of the Crown; and therefore, the proceedings in all criminal cases, in relation to which the time is not limited by statute, may be prosecuted at any length of time after the commission of the offence.

Mr. MARTELL: That is where the time is not limited by statute.

Mr. KENNEDY (Edmonton): The department having had questions of this kind up before, is it not strange that until action was actually started, no such limitation was ever put on actions of this kind? I suppose the Secord case is the first case where action was actually commenced and a wealthy man likely to get into trouble over it. Yet the department has had called to its attention, time and time again, that there was a possibility of just this very thing happening, and no suggestion appears to have been made that the time in which action could be commenced should be limited to three years. But fifty-eight days after the action was actually started by the half-breeds, we had the limitation in the statutes. Therefore, I think it is absolutely unfair to take the position to-night that we are playing politics or that we are not honest when we take the ground that this amendment should not have been passed at the time it was passed. If it had been passed five years before the Secord case was started, I do not suppose any objection would have been raised. The objection is raised because of the fact that a general demand for an investigation had been made, and this had, as I understand it, the effect of making it useless to hold the general investigation that was demanded by the half-breeds.

Again, it has been said that the three years in which to lay information had passed. Let us take the reading of section 1140:

> No prosecution for an offence against this act, or action for penalties or forfeitures, shall be commenced after the expiration of three years from the time of its commission.

I may be dense, but I cannot see that because these half-breeds may not have taken action before the expiration of three years from the passing of this legislation they should not have redress. In any case, the petition was presented on behalf of several hundred half-breeds in the northern portion of the province of Alberta and the Northwest Territories. I hope therefore that the legislation will pass and will open up possibilities of these half-breeds getting redress for any injustice they may have suffered. It is not common sense to say that because we cannot guarantee justice in one hundred per cent of the cases that come before our courts, or of the matters that are brought to the attention of our governments, we should not therefore give any redress at all. Innocent men have been hanged, and according to this reasoning we should on that account abolish capital punishment, and should refrain from prosecuting or sending to jail anyone who has been guilty of an offence simply because some innocent men have been made to suffer. There are some cases in connection with this matter in regard to which justice may be secured, and I hope that this bill will become law, if only to afford these people an oppor-

tunity to demonstrate whether or not they have a just complaint. During the last election it was stated that the three party leaders were communicated with, by telegram, by Mr. J. C. Calhoun of Edmonton, asking for a statement of their position in this matter. A telegram was sent to the hon. member for Marquette (Mr. Crerar) and was not answered. One was sent to the right hon. the leader of the opposition (Mr. Meighen) and was answered later by letter. And in reply to the telegram addressed to the Prime Minister (Mr. Mackenzie King) the following message was sent:

J. C. CALHOUN, Esq.,
King Edward Hotel, Edmonton, Alb.

If conditions are as alleged in statement presented to me regarding half-breed scrip I shall be only too glad to use my influence to have matter fully investigated and such legislation introduced as interests of justice may demand.

W. L. MACKENZIE KING.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Rights saved and continued.

Mr. LAPOINTE: Perhaps the hon. member will explain what he has in view in subsection 2.

Mr. KENNEDY: I have had this matter explained to me by a lawyer, and I understand, that, even if the amendment to the Criminal Code passed in 1921 were repealed now, should any irregularity be found to have occurred during any part of the time that the amendment has been on the statute books, that is to say from 1921 to 1924, the limitation would still apply and might be an obstacle in the way of complete justice in any case that might be brought up. This section was drafted by parliamentary counsel to meet that situation.

Mr. LAPOINTE: That is what I had in mind when the motion was made for the second reading of the bill. There was some question as to whether, if the prescription had already operated, the offence could be revived by repealing the amendment. There occurred to me at the time the decision of the courts of England in a case practically similar to the matter under consideration. I understand that this is what the hon. member has in view by subsection 2. But this subsection is not drafted to meet the case. the subsection reads:

Any offences in violation of the provisions of the section repealed by subsection 1 of this section, and committed between the fourth day of June, nineteen hundred and twenty-one—

That is, the date of the amendment.

—and the date of the coming into force of this act—

The present act.

—shall be dealt with as if this act had not been passed.

If it is dealt with as if this act had not been passed this prescription would operate.

Mr. KENNEDY (Edmonton): There is evidently a mistake in the wording of the section.

Mr. LAPOINTE: I would suggest that the hon. member move that we report progress, so that another draft might be made of the bill.

Mr. BAXTER: I do not know upon whom this drafting of the bill should reflect, or what it is intended to cover. It might be the subject of investigation in future parliaments. However, I should like to know what subsection 2 as drafted means when it refers to "any offences in violation of the provisions of the section repealed by subsection 1 of this section," and so forth. The section which it is sought to repeal is the section as to procedure, and that does not create any offence; it merely states that you shall not prosecute after three years. Some hon. gentlemen seem to think that this creates an offence. We have had views from hon. gentlemen who are not lawyers, and in the discussion of this matter I think that fact has been absolutely demonstrated.

Progress reported.

YUKON QUARTZ MINING BILL

Mr. GEORGE BLACK (Yukon) moved the second reading of Bill No. 6, respecting quartz mining in the Yukon Territory.

Mr. MACKENZIE KING: It is rather late, Mr. Speaker, and I would suggest, if the hon. member has no objection, that the consideration of this matter be deferred and that the House adjourn.

Mr. BLACK: This bill has been up on two occasions now and I am afraid that if it is not dealt with at an early stage of the session it is apt to go by the board. I do not think it can be called a contentious bill. It follows pretty much along the lines of orders in council which constitute the law at present regulating quartz mining in the Yukon territory. The chief object of the bill is to state in the form of an act of parliament the laws governing quartz mining in the Yukon, which laws are now embodied in a large num-

ber of orders in council. I am quite sure that hon. gentlemen opposite will agree that that is an undesirable method of government. Formerly the laws regulating gold-mining in the Yukon were contained in orders in council. But because of the fact that the government was far removed from the scene of operations, very often the regulations were found to be very undesirable in their effect. In many instances the government was not well advised by its officers on the spot, and the advice given enured to the benefit of persons who had not the best interests of the country at heart; in other instances the advice showed a lack of understanding of what should have been done. Ultimately the Yukon was given a representative in parliament, and a bill governing placer gold mining was introduced and passed into law. That law has worked very satisfactorily.

Up to the present, quartz mining has been carried on under orders in council, but the time has at last arrived, as it did in respect of placer gold mining, when it should be regulated by an enactment of this parliament. In this bill I have followed the language of the orders in council for the most part, and it expresses the law as now in force. It contains no radical changes, and if it is passed no radical changes will be possible in future except by parliamentary sanction. To-day radical changes are made in the regulations without notice to the parties most concerned, and such changes are not always in the best interests of the industry affected. Changes are made at times which are found to be undesirable, and after a remarkably short period of operation it has been found necessary to make further changes. At the present time there is an order in council running in the Canada Gazette making most material changes in regulations which were issued as late as 1922, on the advice of officers of the government who are out of touch with the situation, but the government acted in good faith. These frequent changes would not be necessary if the law was enacted by parliament. Each change has a disquieting effect on titles, property rights and methods of operation. I am sure that this is a necessary bill, and that if enacted it will be in the best interests of the territory and of the mining industry. If it is given a second reading, I propose to ask that it be referred to the committee on Mines and Minerals.

Hon. CHARLES STEWART (Minister of Mines): Mr. Speaker, I have no objection to the second reading of the bill, provided that it goes to the committee on Mines and Minerals.

[Mr. Black.]

But I think my hon. friend will discover after the bill is in operation that quartz mining could be carried on much more acceptably by the old method of regulations. The complaint he makes that changes in the regulations prejudice the industry I cannot believe are well founded, because such changes apply not only to the oil industry but to other activities. If this bill is passed it will relieve the department to a considerable extent, because very frequently we receive requests for changes in the regulations. Each proposed change is carefully considered by the officers in charge, who have mining experience, and usually the changes are in the best interests of the industry. Once this bill becomes law, changes can only take place annually and upon the request of hon. members, perhaps at times when our officers have not an opportunity of making an investigation. However, the bill is quite acceptable to me provided it is referred to the committee on Mines and Minerals.

Motion agreed to and bill read the second time.

On motion of Mr. Mackenzie King the House adjourned at 11.15 p.m.

Tuesday, March 25, 1924

The House met at three o'clock.

MEMBERS AND PRESS

COMMON MEETING ROOM PROVIDED FOR MEMBERS AND THE GALLERY

Mr. SPEAKER: I have the honour to inform the House that representations, both last session and during the recess, were made to the Minister of Public Works (Mr. King) and to myself that there was a great need for a place in this building that would be a common meeting ground for members of the House and members of the press gallery. It was pointed out that with the present arrangement of lobbies and private rooms for members, there was little opportunity for intercourse between members. The minister and myself, after looking over the building for a suitable room, decided to place room No. 268 on the main floor, near the main entrance and opening out of the reading room, at the disposal of members of the House and the press gallery for the purpose referred to. The room has been furnished and is now open and ready for use.

UNITED CHURCH OF CANADA

Mr. G. C. WILSON (Wentworth): Mr. Speaker, I desire to present the petition of J. B. McQuesten, Esq., David Burton Dewar, Esq., and John James Morrison, Esq., all of the city of Hamilton in the county of Wentworth, Ontario, protesting against the bill to incorporate the United Church of Canada, on the ground that the rules have not been complied with.

Mr. WILLIAM DUFF (Lunenburg) moved:

That the petition of John Forbes Michie, and others, ministers, elders or members of the Presbyterian Church in Canada, of the city of Toronto, county of York, province of Ontario; praying that the bill which is now being sought, to incorporate the United Church of Canada, be rejected and not proceeded with, presented on Tuesday afternoon, March 18, 1924, be referred to the Committee on Standing Orders.

Motion agreed to.

JUDGES' 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 Act to amend the Judges' Act, chapter fifty-six of the statutes of 1920, section seven, to provide that the salary of the judge of the Territorial Court of the Yukon Territory be increased from seven thousand to nine thousand dollars per annum, but the increase of salary so granted shall not entitle the judge to any increase in the annuity which may be granted him on retirement in excess of six 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.

WHEAT BOARD—SURPLUS FUNDS

On the Orders of the Day:

Mr. ANDREW KNOX (Prince Albert): In view of the fact that the Saskatchewan legislature has passed a resolution asking that the division of the surplus funds of the Canada Wheat Board should be made amongst the provinces according to the amount contributed by each province, and also in view of the fact that the representatives of the Saskatchewan Wheat Producers, Limited, have already interviewed the acting Minister of Finance (Mr. Robb) regarding this matter, I should like to ask the government what their policy is in regard to it.

Hon. J. A. ROBB (Acting Minister of Finance): A deputation said to represent the different co-operative grain societies of the three provinces waited on me some time ago and made a claim for this money. I quoted the recommendation of the wheat board, the board that had the administration of the act when they remitted the surpluses to the government. They recommended that the money might be employed for the relief of settlers in western Canada, and I recall having pointed out to that deputation that as Acting Minister of Finance, my policy was: "What we have we hold," and that as we had already advanced something over $3,000,000, if my recollection is right, for relief in western Canada, I thought we should apply this amount to the redemption of that debt.

Mr. KNOX: I should like to remind the minister that this money was not contributed by people who were given relief owing to destitution; the money is being asked for largely by people who contributed it. I would ask the minister to reconsider his decision.

DATE OF BUDGET SPEECH

On the Orders of the Day:

Sir HENRY DRAYTON (West York): I should like to ask the Minister of Immigration, in his capacity of Acting Minister of Finance (Mr. Robb) if he has yet thought of what day he would like to bring down the budget.

Hon. J. A. ROBB (Acting Minister of Finance): I have not yet reached a conclusion. I will advise my hon. friend a few days in advance.

NATIONAL DEFENCE EXPENDITURES

On the Orders of the Day:

Mr. ROBERT FORKE (Brandon): I wish to ask the following question. Will the government, when bringing down the estimates covering the expenditures on national defence, take into consideration the fact that Canadian expenditures for that purpose for the current year are considerably larger than those of other dominions, notwithstanding the fact that Canada occupies a less vulnerable position?

Hon. GEORGE P. GRAHAM (Minister of Railways): The Minister of National Defence (Mr. Macdonald) is not in his place but I shall call his attention to the question.

Mr. MEIGHEN: I might ask, in the same connection, whether the government

will take into consideration the undoubted fact that the expenditures are much less than those of the other dominions.

Mr. GRAHAM: I will call that also to the attention of the minister.

FRUIT ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved the second reading of Bill No. 13, to amend the Fruit Act (French version).

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Grades for fruit in closed packages.

Sir HENRY DRAYTON: Perhaps the minister will tell us what he proposes to do in this bill.

Mr. MOTHERWELL: As I explained when the bill was given its first reading, the purpose of this legislation is merely to make one slight change in the description of No. 2 apples. In the French version the word "eighty" appears, in reference to the percentage of apples that are free from scab and other defects and which shall constitute Grade No. 2, and the present amendment is to substitute for the word "eighty" the word "eighty-five," so that the French version may conform to the English version of the act. That is the sole purpose of the bill.

Mr. MEIGHEN: This was not included in the Speech from the Throne.

Mr. MOTHERWELL: I do not think so.

Mr. MARTELL: What effect will this amendment have on special grade apples?

Mr. MOTHERWELL: It will have no effect whatever on apples of special grades. The purpose of the bill is merely to make the correction I have mentioned.

Bill reported, read the third time and passed.

INDUSTRIAL DISPUTES INVESTIGATION ACT, 1907; AMENDMENT

Hon. JAMES MURDOCK (Minister of Labour) moved the second reading of Bill No. 7, 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.

[Mr. Meighen.]

On section 1—Statutory declaration to accompany application for appointment of Board.

Mr. MEIGHEN: Will the minister explain the purpose of the bill?

Mr. MURDOCK: The change proposed in this section merely contemplates that, in cases where it has been impossible for employer and employee to meet and negotiate, a declaration may be accepted from the employees indicating that it has been impossible to secure a conference or enter into negotiations and that as a result a strike is likely to occur. There have been cases in the past where such a provision has appeared necessary.

Mr. CHURCH: There is before the law courts on the way to the Privy Council for decision at the present time the question of the jurisdiction of parliament to enact legislation of this nature, and the question at issue is as to whether this parliament can delegate to itself the power to regulate the public utilities of municipalities. The municipalities operate many public utilities such as light and power, and under section 91 of the British North America Act it seems to me that this parliament has enough to do in reference to federal utilities, such as the postal service, without encroaching upon the realm of the provinces and the municipalities. I do not think that parliament should pass any legislation that has any relation to the municipalities without the consent of those municipalities. I understand that the Department of Justice has given an opinion that this whole act is ultra vires, and that opinion is supported by two courts of record in the province of Ontario. I think that is good not only as a matter of law but of policy. For how can this parliament say: We are going to regulate the municipal activities of, say, Winnipeg, Edmonton or Vancouver, and virtually act as a court of appeal in labour disputes between those municipalities and their employees? It is not in the public interest that there should be such interferences with the harmonious operation of public utilities by municipal corporations from the commercial aspect.

I should like to know who is asking for this legislation, because I understand the Department of Justice has advised that it is ultra vires of this parliament. Until the Privy Council has given its decision in the case now pending as to the respective powers of the federal parliament, the provincial legislatures

and municipal corporations, I think it would be unwise to proceed with the bill. Certainly if it is enacted it will stir up trouble all over Canada, and the operation of public utilities by our municipalities will be very seriously handicapped. The present law is working quite satisfactorily, and our public ownership bodies are paying the highest wages to their employees. In my own province there is no complaint that the law is not working well. On all these grounds, therefore, I am strongly of opinion that we should leave well enough alone, or in any event defer action until we get the decision of the Privy Council on the case now in the courts which decision may be expected next May or June.

Mr. IRVINE: Mr. Chairman, I have been told that this clause is very favourable and very just to labour. But it is in one sentence a page long, and I can make neither head nor tail of it; I do not know what it means. I am reasonably certain that very few labour men would be able to interpret the clause. Therefore I would ask the Minister of Labour to kindly explain once more what it really means, because I did not get his first explanation.

Mr. MURDOCK: If my hon. friend from East Calgary (Mr. Irvine) will look at the explanatory notes on the right hand pages he will find that the only changes proposed are printed in italics, their purpose being to permit the acceptance of a request from employees for a board of conciliation, even although those employees are not able to declare that they have met the employer and exhausted negotiations. As long as they can declare that they have made all possible efforts to obtain a satisfactory settlement, that will be sufficient for the Department of Labour to act upon.

Might I say to my hon. friend from North Toronto (Mr. Church) that the particular question which he dealt with is not referred to in any of these proposed amendments? He is quite correct in saying that a board appointed by the Department of Labour was enjoined from proceeding with an investigation in regard to certain employees of the Hydro-Electric Commission in Toronto. An application was made to the department, and following the usual practice of many years the department asked the Hydro-Electric Commission if they would agree to the formation of a board. The Commission hesitated for some time and finally did, in substance, decline to give their sanction to the formation of such a board. The department regarded the situation as so important that it proceeded to appoint a board, and the Hydro-Electric Commission at once took proceedings in the courts to obtain an injunction, which injunction the department has scrupulously observed. But we went into court to ascertain the rights of the federal Labour department under the Industrial Disputes Investigation Act. One judge issued the injunction and another judge, of equal standing, disagreed with his learned brother and referred the case to the Court of Appeal of Ontario, where argument was heard about a month ago. A decision is expected in a few days. As my hon. friend from North Toronto suggested, the case will probably go to the Privy Council for final determination. I may say that should it be decided that we have no right to appoint a conciliation board in the case of disputes between municipal corporations and their employees, it would simplify our work very much. But the proposed amendments have no connection with the question raised by my hon. friend, and I am quite sure he will not contend for a moment that the act is not applicable to recognized dominion-wide public utilities. The particular section we are now considering has no bearing on the case before the Court of Appeal.

Mr. ARTHURS: Will the hon. minister go a step further and tell the House what the result would be, if the proposed amendments are passed, in the case of a strike of the employees of any government department, and the department in question refused to negotiate with the strikers? Could the strikers thereupon go to the minister's department and as a matter of right obtain a board of conciliation?

Mr. MURDOCK: I could not say what I might do or the department might do until we were confronted with the circumstances and were able to take them into consideration.

Mr. ARTHURS: Similar cases have arisen in the past, so it is nothing new. We had a similar case in Winnipeg, where a department refused to treat with strikers.

Mr. MURDOCK: I never before heard it intimated that the Industrial Disputes Investigation Act applied to such disputes.

Mr. ARTHURS: As I understand the act, and as the hon. gentleman has endeavoured to explain it, it would seem to apply to any body of organized labour.

Mr. MURDOCK: The Industrial Disputes Investigation Act applies to public utilities which are specified in section 2 of the act. The Post Office Department would not be a public utility as contemplated by the act.

Mr. ARTHURS: Will the minister read section 2?

The CHAIRMAN: This is an amendment to section 15 of the Industrial Disputes Investigation Act. It is a question whether that inquiry is in order.

Mr. CHURCH: The whole question of the power of this legislature to enact a law of this kind is now before the courts, and if the act is declared unconstitutional then this amendment would also be unconstitutional. If the act applies to municipal public utilities, why should employees of the Post Office Department not be given a board if they wish to make a declaration under the act? Moreover, they are getting only one-half what the Hydro-Electric employees are getting to-day. Their lowest wage is $790 a year whereas in the other case it is $1,200 or $1,300. I contend that this whole matter should be held over until next session pending the decision whether this parliament has power to pass legislation of this kind.

Mr. MURDOCK: In answer to the hon. member (Mr. Arthurs), I may say that section 2 of the act reads:

> In this act, unless the context otherwise requires—
> (a) "Minister" means the Minister of Labour;
> (b) "department" means the Department of Labour;
> (c) "employer" means any person, company or corporation employing ten or more persons and owning or operating any mining property, agency of transportation or communication, or public service utility, including, except as hereinafter provided, railways, whether operated by steam, electricity or other motive power, steamships, telegraph and telephone lines, gas, electric light, water and power works.

Mr. IRVINE: What is the meaning of the exception in parenthesis in lines 13, 14 and 15, section 1 (b), which reads:

> Except where the application is made by an employer in consequence of an intended change in wages or hours proposed by the said employer.

Mr. MURDOCK: That parenthesis has been there for a number of years. It does not contemplate any intention of an employer to lock out his employees, but he may have a justifiable intent of serving notice on his employees of his desire for a reduction of wages, and in that case he could make the necessary declaration.

Sir HENRY DRAYTON: Does the minister look upon the post office as a public utility?

[Mr. Arthurs.]

Mr. MURDOCK: Not within the meaning of this act.

Sir HENRY DRAYTON: Does it cease to be a public utility because it is looked after by a department of the government?

Mr. MURDOCK: Not so long ago it was even held that this act did not apply to Intercolonial Railway employees because they were government employees. I think several decisions to that effect were made.

Sir HENRY DRAYTON: That is what I want to get at: The real distinction is that they are government employees, and that is why the department does not consider that the act applies.

Mr. MURDOCK: One other important reason is that they are not engaged as employees of a public utility as specified in section 2 of the act.

Sir HENRY DRAYTON: Why on earth the whole act was placed in jeopardy through an endeavour to make other public officials, just as representative of the people as this body, subject to what we would not make applicable to our own people, I do not know. It is idle to say that there should be regulation of public utilities simply because they happen to be provincial in their character while on the other hand the same regulation should not apply to public utilities which are carried on by the Dominion government.

Mr. CARROLL: The other evening while we were discussing the resolution of the hon. member for Centre Winnipeg (Mr. Woodsworth) I made some observations with regard to the necessity of having changes made in our constitution, the British North America Act, which would clearly define the respective powers of this parliament and the provincial legislatures with regard to labour and several other matters. The opinions of judges of our supreme courts, especially in Nova Scotia, with which I am more familiar, are such that there is grave doubt in the public mind whether parliament had the power under the British North America Act to pass this legislation. In a private discussion which I had with the minister the other day he suggested to me that there would shortly be a decision which would settle the question. I presume that he had reference to the case to which the hon. member for North Toronto has just referred. In that case the question may not be brought fairly before us whether or not the act is ultra vires. The case may turn on the question of whether it is a provincial public utility or a national public utility. I for one would like to see

the Privy Council decide just as clearly and as quickly as it can be done whether the Industrial Disputes Act is within the power and jurisdiction of this parliament. I am one of those who think that the Industrial Disputes Act has been a tremendous power for good in this country. Innumerable disputes which would otherwise have led to strikes and disasters have been averted through the goodwill which was brought about between employers and employees by virtue of this act, and so far as I am concerned I would be sorry if in the end it was declared ultra vires by the Privy Council. My hon. friend from North Toronto (Mr. Church) suggests that the Department of Justice has given opinions which, in effect, declare the act to be ultra vires.

Sir HENRY DRAYTON: Merely against the municipality.

Mr. CARROLL: As against the municipality. I read some of these opinions last winter, and I am sorry to say that different branches of the Department of Justice have given different opinions as to the validity of this act. I hope the day will soon come when if this case is not taken direct to the Privy Council—and if the Department of Labour loses the case in Toronto they certainly will carry it to the Privy Council, but in case the Department of Labour wins, the people of Ontario may not see fit to carry the case to that court—

Sir HENRY DRAYTON: They will.

Mr. CARROLL: Then that will overcome the difficulty. I have my own opinions as a lawyer, very serious and, I think very well-grounded opinions. I am not going to give them to the House this afternoon; I did give them more or less the other day; but I think this matter should be settled. There should not be any doubt about the matter, and if there should remain any doubt after the decision of the Privy Council, if they do not give a clear-cut decision as to the validity of the act, I think the Department of Justice should even take the trouble of having our constitution so amended as to make it perfectly and amply and fully plain that this parliament has the power to legislate on matters of this kind.

I do not think the Industrial Disputes Act goes far enough. It seems to me that in all our great industries in this country there should be the means whereby a conciliation board could be granted, in order to give employer and employee a chance to fight their differences out before such a board. Let me give an instance. In the constituency I represent we have two great industries, the coal mining industry and the steel industry. If differences of opinion arise in the coal mining industry, and if the conditions of the act are fulfilled, the employers may get a board, and boards have done very much good in that part of the country; but if a difference of opinion arises between the steel workers and their employers, who are the very same people, the British Empire Steel Company, the poor steel worker is told that he cannot have a board to investigate his grievances, while his brother, the coal miner, working for the same corporation five miles away, has the right to a conciliation board. I would draw this respectfully to the attention of the Minister of Labour. It may make for a weakness in the act so far as legislative power is concerned, but I think the day should come when this parliament should take power under the constitution to give every industry, employers and employees, the right to a conciliation board. Let not a preference, so to speak, be given to a man because he happens to be working in an industry which comes under the nomen of a "public utility."

Section agreed to.

On section 2—Relation of parties to remain unchanged pending proceedings before a board.

Mr. WOODSWORTH: There is one point, it semes to me, that is hardly sufficiently guarded in this clause. The idea is that there shall be no change pending an investigation. If I am rightly informed in the case of the Nova Scotia trouble a year and a half ago, a board had been asked for, but the employers took the ground that since the agreement had expired there could be no change in the conditions; that is, they had been running along under the conditions of the old agreement, but the agreement having expired the employers took the ground that everything was at an end, and they proposed under those circumstances to change the rates of pay, the hours and working conditions. It was really that that led to the so-called "ca' canny" policy—"striking on the job," the men taking the ground that since there was no agreement they were not bound to give a certain amount of work. Now it is quite obvious that the company was not carrying out the spirit behind this legislation, and I wonder whether it would not be possible to draft the legislation in such a way that no employer or employee could disregard its spirit in that way.

Even although the agreement had come to a close at the end of the year, could not the conditions run along until a final settlement was made? I would ask the Minister of Labour if it would not be possible to insert such a clause as that?

Mr. MURDOCK: I fear it would be impossible to attempt to meet the suggestion of my hon. friend (Mr. Woodsworth), for this reason: It would contemplate coercion possibly of both parties to an agreement, and we might have just as much or even more difficulty in securing the consent of the workmen than of the employers to a provision of that kind, which would, in effect, tie them to their tasks for a certain stated or uncertain time. I am sure we would have just as much difficulty under the circumstances suggested by my hon. friend, where you would compel the workmen to continue working under the conditions of an agreement after it had expired until a board had finished its sittings and had filed its award.

Mr. WOODSWORTH: Do you not do that in this case?

Mr. MURDOCK: We hope to secure the co-operation of both employer and employee to the end that no interruption of the industry's operations shall take place; but we would hope also to secure the co-operation of the employer and employee in seeing that agreements be not made that would automatically sever relations as between the two parties at a given time. The consistent thing, I think, for organized labour to do now generally is to make an agreement subject to sixty days' notice of a desire for a change by either party to the agreement. That would give reasonable latitude to the interests of the parties and the public for negotiations to be held and a new agreement to be reached.

Now, in the case my hon. friend cited the agreement expired at a certain hour on a certain given day, and, no new agreement having been arrived at, there was a complete stoppage of operations regardless of the public right in the matter, creating a situation which ought to have been avoided. But I suggest to my hon. friend that such a situation cannot be avoided by attempting to assert in this, or in any other law, a coercive restriction that will compel either the employer or the workman to continue operations, possibly in the case of the latter, at a rate he may not have agreed to.

Section agreed to.

Bill reported.

[Mr. Woodsworth.]

PATENT ACT AMENDMENT.

Hon. ERNEST LAPOINTE (For the Minister of Trade and Commerce) moved the second reading of Bill No. 4 to amend the Patent Act (French version).

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1.—Inventions for which foreign patents have been taken out.

Mr. LAPOINTE: The only object of the bill is to correct two words in the French version. The word "earliest" in the fourth line of the English version—you have it on the opposite page—was translated into French as if it were the "latest". The same thing at the end of the section, where the word "black" appeared as "white".

Mr. STEVENS: The translator who would translate "black" into "white", and "earliest" into "latest" needs an examination. I was just going to observe to my hon. friend that there have been quite a number of bills of this character. I noticed last session we had one or two cases, and this is the second one already this session correcting translation. It does seem to me that the government owe it to the House to see that its officers do better work in the translation than this. I am not offering this criticism of my hon. friend, but really I think a little healthy sharp criticism of an officer who will do such slovenly work as this is not at all untimely. I am not aware of any objection to the bill but there is need, perhaps, of a little castigation of the officer responsible for the errors.

4 p.m.

Mr. LAPOINTE: I am afraid these mistakes were happening quite frequently in former times without being noticed. However, the remarks of my hon. friend are to the point. And I may say that measures are being considered at the present time for the purpose of improving the translation branches of the government.

Section agreed to.

On section 2—Commencement of act.

Mr. STEVENS: Does this make any change in the original act? The section reads.

This act shall be deemed to have come into force on the first day of September, 1923.

Why is it necessary to have this clause?

Mr. LAPOINTE: I think that was the date fixed in the original act.

Mr. STEVENS: Is the minister quite sure of that?—because the change may be far reaching.

The CHAIRMAN: An explanation is given on the opposite page.

Mr. STEVENS: It was in the original act?

Mr. LAPOINTE: Yes.

Mr. STEVENS: This is a little hurried, I have really not had time to look the matter over. I should judge from what is said on the opposite page that the act came into force by proclamation published in the Canada Gazette. The proclamation was issued, I gather, on 7th July, 1923.

Mr. LAPOINTE: Yes.

Mr. STEVENS: And this clause is necessary in order to bring the French version into harmony with the English version? The act was brought into force by proclamation?

Mr. LAPOINTE: Yes, by proclamation.

Bill reported, read the third time, and passed.

PACIFIC HALIBUT FISHERY

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

That it is expedient to amend section six of the Northern Pacific Halibut Fishery Protection Act, chapter sixty-one of the statutes of 1923, which relates to Canadian and United States nationals and ships liable to seizure for engaging in fishing for halibut in prohibited waters, by limiting the time for an offence thereunder to the close season as defined in the Act, and by repealing section nine, relating to the seizure of foreign ships.

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

Mr. CARDIN: The committee will surely remember that, following the treaty between Canada and the United States, an act was passed during the last session in order to make effective the provisions of the treaty. The first amendment which is proposed relates to section 6 which reads:

Every national or inhabitant of Canada or of the United States, and every ship, vessel or boat registered in Canada or the United States, or belonging to a national or inhabitant of Canada or of the United States, together with all furniture, apparel, appliances, gear, tackle and rigging thereof, engaged in or used in connection with fishing for halibut in prohibited waters or aiding or facilitating, or used for the purpose of aiding or facilitating such fishing, may be seized by any officer authorized by the Customs and Fisheries Protection Act to board and search.

The amendment is to add the words "during the close season" after the words "prohibited waters." As the section now stands, it prohibits fishing throughout the year, the words "during the close season" having been left out through error. We propose to repeal the whole section because, by a rule passed last session, when we amend part of a section, we have to repeal the whole section and ask that a new one be substituted for it.

The next amendment we have in view is to repeal section 9 which reads:

Every ship, vessel or boat which is foreign, or not navigated according to the laws of the United Kingdom or of Canada, which,

(a) has been found fiishing or preparing to fish or to have been fishing for halibut in the territorial waters of the western coast of Canada in any close season; or

(b) has entered such waters for any purpose of which the execution is prohibited by this act:

may be seized by any of the officers aforesaid.

Section 9 is almost a repetition of section 5. The point covered by this section is already covered by section 5 which reads:

Every ship, vessel or boat, including all furniture, apparel, appliances, gear, tackle and rigging thereof, which is in any manner operated or used for the purpose of committing an offence against this act, or for aiding or facilitating the commisson of any such offence, may be seized by any officer authorized by the Customs and Fisheries Protection Act to board and search, and shall be forfeited;

Besides that, section 9 may be objected to on account of the fact that it states that only foreign ships can be seized. It appears that an exception is made in regard to vessels navigating according to the laws of the United Kingdom or Canada. I think these small amendments will not in any way change the situation in which we find ourselves now. They are not material at all. They are intended only to do away with some doubts which may arise between the interpretation of section 9 and section 5.

Mr. BAXTER: I should like to suggest to the minister that, in making the amendment, he might, perhaps, go a little further in section 6. The act itself defines the territorial waters of the western coast of Canada. It also defines the territorial waters of the United States. I cannot conceive that a Canadian customs officer would be intended, by this government, to attempt any seizure outside of our own territorial waters. Yet, if my hon. friend will look at section 6 as it stands to-day, he will find that apparently just as much power is given to a Canadian customs officer to seize at Seattle as there was for him to seize during the open season. I quite concur that it is correct to limit this legislation

to the close season; but I think it would be just as well to make it clear to men who are looking to the statute for guidance, that their operations as regards seizures ought to be confined to the territorial waters of Canada. I would suggest for the purpose, not of criticism but of assistance, that after the word "seized" in the printed statute at the third line from the top of the page, there should be some definition of the place, that is, seized "within the territorial waters of Canada" or some similar expression, because I can understand how a zealous but mistaken officer might cause considerably difficulty by going outside of Canadian territorial limits altogether and making a seizure.

I would also like to suggest that section 9, which the minister proposes to repeal, might receive further consideration. Section 4 puts the owner or master of a vessel under a certain penalty. Section 5, as the minister very properly says, involves forfeiture of any vessel:

—which is in any manner operated or used for the purpose of committing an offence against this act, or for aiding or facilitating the commisson of any such offence.

I think that might very properly apply to vessels on our own register. I would think, however, that we would not be wise, to say the least, to attempt to create an offence or to inflict a punishment upon a foreign vessel, unless her act had been done within the ports or territorial waters of Canada. Under section 4 or section 5, it does not matter where the person or the vessel is. For instance, if a Canadian vessel were out on the high seas and made preparations there to invade the territorial waters of Canada for the purpose of illegal fishing, I think this law would apply and we could punish our own nationals.

Mr. MARTELL: Has my hon. friend read the treaty under which this resolution is framed? It will be found, I think, that there was entered into between Canada and the United States an agreement which gives to Canada, under the treaty, authority to seize United States' vessels which are found in Canadian or American water if they are violating the provisions of the treaty, and the Americans are to have the same powers regarding Canadian vessels found in Canadian or American waters. If Canada seizes United States vessels, she must hand them over to the United States for trial, and the same thing would apply in regard to Canadian vessels seized by the United States, the United States would have to hand them over to Canada for trial. If power were given to seize vessels only in territorial waters, you would not get them at all, because it is only in extra-territorial waters that the offence is committed.

Mr. BAXTER: Perhaps in a spirit of great national charity I was not designating the people of the United States as foreigners. As regards foreign ships, I was thinking of ships other than those of the United States. I had in mind the provisions of the treaty as my hon. friend has them in mind, although I'm blessed if I know whether there is a treaty or not. Perhaps my hon friend knows.

Mr. MARTELL: There will be.

Mr. BAXTER: Oh, there is to be.

Mr. MARTELL: It is in esse. It only needs ratification.

Mr. BAXTER: I have no objection to a treaty. The only thing is that this treaty appeared as a New Year's gift in some of the newspapers, and it has appeared several times since with little strings, tails, fins and little wiggly things all around it. A few days ago it came into this House as a subject of ratification. It did not matter if we were riding chariots through the Civil Service; it did not matter if we had forgotten how to cut down rates; it did not matter if we had stagnation in the Maritime provinces, a subject in which the hon. member for Hants (Mr. Martell) ought to be interested—the great constitutional thing, the great light that had developed on the world, the great beneficence in the twentieth century was that a Canadian could sign his name upon a piece of parchment and bind some part of the British Empire; that is, if the thing was unilateral, or bilateral, or quadrilateral, or based upon some other angles that were not defined. My hon. friend wants to take great comfort out of this signature. I will tell him that I very much prefer to get down to something that has real meat in it.

Mr. LAPOINTE: This is fish.

Mr. BAXTER: It is all very well to indulge in flights of imagination, but really nobody cares a bit whether we sign treaties on this side of the Atlantic or on the other side; what we do care about is that we shall get something out of them. That is the real point.

Mr. MARTELL: Will my hon. friend allow me to interrupt him for a moment? I understand that when speaking in the Maritime provinces he took the view that reciprocity would have been of great benefit to us but we took the national view.

Mr. BAXTER: I am not going to be diverted from my course by any more of these remarks of my hon. friend. I want to be as complimentary to him as I can, but I do not think he should interrupt me in the way he has done. When he interrupted me a few moments ago I really thought that it was the Prime Minister who had shifted his seat and so I deferred to him. I see now he is not the Prime Minister. However, in all seriousness I would ask the minister to consider the suggestions I have made, which are offered entirely with the idea of assisting him to perfect the measure as far as possible.

Resolution reported, read the second time and concurred in. Mr. Cardin thereupon moved for leave to introduce Bill No. 21, to amend the Northern Pacific Halibut Fishery Protection Act.

Motion agreed to and bill read the first time.

SUPPLY

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

Public Works—Chargeable to Capital

Public Buildings—	
Ottawa Parliament Buildings	$ 600,000
Ottawa, addition to Dominion Archives Building	275,000
London, England, Canadian office	1,300,000
	$2,175,000

Hon. J. H. KING (Kootenay, Minister of Public Works): When we were last in committee we had under consideration the estimate for completion of the tower and there was a suggestion that the government should explain to the House what delay in this work would mean not only in the actual cost but also from the point of view of the deterioration of the tower itself and of the buildings that have been used in its construction. I indicated at that time that the architect's commission was fixed at 5½ per cent for completion and that we had an arrangement with him to complete the construction. The plans have been prepared and are being submitted to the department under that arrangement. If we should decide to cancel our arrangement with the architect he would be entitled to receive from us 3 per cent on the plans to date, and at the end of five or six or ten years, whenever we might decide to complete the construction, we should either require to make a new contract with the present architects or engage another architect. In that case our expenditure would involve an additional 7 per cent in all probability, following the usual architectural fees, because we could not have the benefit which we should otherwise have in having the present architect complete the work. The first item of 3 per cent on the completed tower, on an expenditure of $565,000, would be $16,950; and the commission which it would be necessary to pay if we started to work over again, would amount, at 7 per cent, to $39,550. In regard to the contractor's commission, our arrangement is that he should complete the work at the old commission of 7 per cent. I believe that those who have had experience with contractors and who are familiar with work of this character will realize that the completion of this tower is probably one of the most difficult portions of the construction of the parliament buildings, and I have no doubt that if it became necessary some years later to enter into a new contract the builder would expect a larger percentage than even 7 per cent. Indeed, the officers of the department are of the opinion that it would cost at least 10 per cent; and on an expenditure of $480,000 that additional 3 per cent would mean an addition of $14,400. Now, if we should decide to delay construction for five or six years, I think it must be evident to all who know anything about the surroundings of these buildings that it would be necessary to clear the debris from the grounds and do other work of that kind, and we should have to have the grounds sodded and put into proper shape. The estimated cost for the removal of buildings used in construction, and of stone, brick, sand and other material, in addition to the cleaning up of the ground and completing the work of paving grading and so forth. is $20,000. We have a very large workshop on Sussex street which was erected primarily for carving and cutting the stone to be used in this building. It is built of substantial timbers and equipped with cranes and other machinery necessary for the handling of heavy stone. When built in 1916 it was not expected that it would be required for more than four or five years, and I am informed that last year it was discovered that dry rot had attacked the foundation timbers, neces-

sitating the insertion of concrete blocks to maintain the structure in place. If we should decide not to proceed with the programme now contemplated, it will be necessary to tear down the workshop and from the timber construct a shed of sufficient size to store the stone and other material that will eventually go into the tower. That is estimated to cost $82,000. This figure includes the cost of removing the machinery and either installing it in a new building or else taking the stone to Montreal or some other place to be cut and carved, which means heavy cartage and freight charges. It will be seen therefore that any delay will entail a very considerable expense, in fact it is estimated by the department that about $172,000 will be the price of delay. It was suggested a few nights ago in discussion that so many hundred thousands of dollars at five per cent interest would mean so much money, and by delaying construction there would be a saving of this interest. But as a matter of fact instead of being a saving there would be a very considerable loss. Besides this, hon. members will no doubt have noticed that the sandstone used in this building darkens on exposure to the weather, and if we should delay construction for a period of years, there will be a marked difference between the new and the old work. In the course of years the two would probably blend harmoniously, but for some years after completion we would have the upper third of the tower sticking up like a sore thumb.

Now, I think it would be unwise for the committee to entertain delaying this construction. It is part of the scheme undertaken years ago after the fire, and I hope hon. members will be of the opinion, after the information I have just given, that we would be ill advised to delay the work. I might say that when the estimates for my department were first submitted to me by the officials they asked for a vote of $800,000. We have since reduced this total by $200,000. In my summary of expenditures last week I suggested certain lines that might be followed this year, but since last discussing the matter with departmental officers, I find that if we complete the tower in the manner described, installing electric wiring and elevators, and also doing what is necessary for the clock chimes, and complete the memorial chamber, we shall require an expenditure of $564,000. So the expenditure this year of the $600,000 will be largely confined to the tower itself.

Mr. BOYS: Will the minister explain why it is necessary to revise these figures? The other night we were very particular about this and we understood that the $383,000 for the completion of the tower covered the exterior, elevators and electric wiring.

Mr. KING (Kootenay): No.

Mr. BOYS: I really believe a reference to Hansard will show that that is what the minister stated to the committee.

Mr. KING (Kootenay): No.

Mr. BOYS: And he advised us that the memorial chamber would cost about $80,000.

Mr. KING (Kootenay): The masonry.

Mr. BOYS: Yes, the masonry for the tower and the interior improvements. I remember the first figure was $293,000, which was for the masonry, and then I understood it was increased to $383,000 to provide for the completion of the tower. Here is what the minister said, at page 576, of Hansard:

> I gave the figures for electrical equipment, masonry and so forth, but the masonry is $293,808.

And at a later stage of the discussion—I do not know that I can lay my hand on it at the moment—that amount was increased to $383,000 to provide for these other additions. Then the further cost of the memorial chamber was given at $80,000 odd. On that occasion I said that I thought the tower should be completed and I still think so. I also think it would be desirable to complete the memorial chamber, for the reasons given the other night. Anyway, it is a feature of this structure that we should not neglect, and I am quite prepared to support whatever expenditure is necessary to do the work. I took exception to the cost that would be incurred for cutting the flat stone that we see in this chamber. It is expensive work, and I think it might well be left in abeyance. If it is a fact that the amount required to do the work suggested is nearly $600,000, I would hesitate to support any reduction of the item; but unless I am assured of that I certainly think it should be reduced to whatever amount will be required for the work.

Mr. WHITE: Mr. Chairman, as a member of the Parliamentary committee that had to do with the settlement of the architects' and contractors' claims, I probably had a better opportunity to get acquainted with the facts and to examine the buildings that have been referred to than hon. members who were not on that committee. At the time I noted with particular satisfaction the large amount of machinery that had been provided to take care of the stone work. One of the terms of settle-

ment of the contractors' claims was that they should complete the tower at a commission of seven per cent. It appears to me that that was a very wise arrangement, the character of the work being such that if it were placed with another contractor the commission would probably be considerably higher. It seems to me that the work should be carried on by the original architects and contractors. There is a particular reason for adopting this course. There is a certain responsibility for the work already completed. In connection with the building of the tower a great deal of extra weight is to be placed on the present structure, and if any defects develop it will be easy to place the blame in the proper place. On the other hand, if some other contractor subsequently does the work it will be easy for one contractor to blame the other and it will be difficult to fix the blame in the case of defect. The minister gave two lists of items of proposed expenditure—page 558 of Hansard—and the second list, involving a total of about $81,000, was for stone carving, electrical work, special lighting fixtures, changes to doors, and so on. It seems to me that that amount of $81,000 odd could be struck out, because the building may very well remain as it is for a number of years. The outside work, the necessary electrical work and the elevators should be provided for, as well as the completion of the memorial chamber and all stone work in connection with the tower.

Mr. BOYS: May I put myself right with the minister? If he will look at page 574 of Hansard he will find what took place. In referring to the matter I said:

> Before the committee rose at six o'clock I took down some figures but I do not know whether I got them correctly. I understood the minister to say that the masonry work on the tower amounts to $293,000.
>
> Mr. King (Kootenay): That is right.
>
> Mr. Boys: And the completion of the tower, with elevators, wiring, and so forth, made a total of $383,000.
>
> Mr. King (Kootenay): The total is $383,898.
>
> Mr. Boys: There is no question, then, that $400,000 would cover everything in connection with the tower.
>
> Mr. King (Kootenay). Without the memorial chamber.

At a later stage in the discussion the figure for the memorial tower was given at about $80,000.

Mr. KING (Kootenay): The figures included in the first statement I gave were as follows:

Masonry as per bill of quantities, Memorial Chamber	$ 81,820
Main Tower	293,808
Elevators: push button elevator, etc.	15,000
Electric wiring: interior wiring for lighting, power, clocks, illuminating four clock dials, etc.	28,950
Roofing	16,500
Ornamental iron: elevator enclosures, spiral and straight stairs, ladders in tower—flag pole	7,640

That amounts to $383,000 for the tower and $81,820 for the memorial chamber, a total of $465,000 in round figures.

Mr. STEVENS: The total of the figures just read by the minister is about $443,000.

Mr. KING (Kootenay): Yes, but I gave additional figures later.

Mr. STEVENS: They had nothing to do with the tower.

Mr. KING (Kootenay): Just to clear the thing up, I will give the figures again:

Masonry as per bill of quantities, memorial chamber	$ 81,820
Main tower	293,808
Carving, main tower	20,000
Roofing	16,500
Ornamental iron	7,640
Elevators	15,000
Heating	2,000
Electric wiring	28,950

That is $465,718.

Mr. STEVENS: Does that not absolutely complete the tower, clock and all?

Mr. KING (Kootenay): No. Including the $81,820 for the memorial chamber, the total is $465,000, and when you add the clock and completion of the memorial chamber, it makes a total of $564,000. These are all connected with the tower; they are all within the estimate of the architect and to a great extent under the control of the contractor.

Mr. STEVENS: I confess that it is difficult to harmonize the figures given to-day with those given the other day. We do not wish to harass the minister with captious criticism about this work, but it is the view of members on this side that any work that is not absolutely necessary might very well be left undone this year. Generally speaking we have no great objection, I think, to the completion of the tower and the memorial chamber and any other really necessary work, but there are some items, even among those mentioned by the minister to-day, which seem to be unnecessary. Take, for instance, the $28,950 for electric wiring, flood lighting projectors, wiring for flood lighting, four lamp standards for lighting fixtures in tower reflectors, and so forth: I agree that it would be very nice indeed to have the tower illuminated, but I think we could very well afford to let that work, involving an expenditure of $28,900, remain over for this year. If the minister will take his figures for the masonry work of the tower, with such fixtures

as it may be necessary to put in when the masonry is completed, he will find that he can very easily keep within $400,000; then if he adds to that the finishing of the memorial chamber, about $450,000 or $475,000 should be ample. If the figures given by the minister to-day are correct—and I am not doubting his word, though I do doubt the accuracy of his addition—we have not anything like enough money in this vote to do the work which is contemplated, because the other day he had on his list $50,000 for interior lightings, quite a sum for carvings, and some other items, all included in the $600,000. How he is going to apply $540,000 to the tower and then squeeze in all these other items and keep the amount down to $600,000, I do not know. But I do suggest that $475,000 will give him ample to finish the tower, including the work on the memorial chamber. By the way, the minister himself told us the other day that the stone and all the material required for the finishing of the memorial chamber is already here, and that undoubtedly is included in the estimates he gives us today, although the material is here and paid for.

Mr. KING (Kootenay): No.

Mr. STEVENS: They are not included in that? In any case, the material is here and can be placed in position without any delay and be paid for. I want to suggest to the minister quite seriously that he cut this item by $125,000. I took occasion to go round the building and examine the fixtures. I am not an expert but I can see this, as anyone can who cares to cast his eyes around, that the so-called temporary electric fixtures in this building are good for a number of years, without causing the slightest offence to the artistic taste of anyone, and certainly so far as utility is concerned they are just as good for a number of years as permanent fixtures. In a few years, of course, their usefulness will be gone, and then they can probably be replaced, but I think it is a decided waste of money to take $50,000 now to remove these fixtures that are perfecly good and replace them with permanent fixtures when the money is needed very much more in other directions, and when the present fixtures are such that no one can possibly take offence at their appearance. I would therefore suggest once again to the minister that this item be reduced by $100,000 or $120,000. That would still enable him to complete the tower properly.

Mr. FORKE: I quite agree with the statements that have been made by the hon. member for London in connection with the finishing of the tower. The member for St. Lawrence-St. George (Mr. Marler) the member for London (Mr. White) and myself, with the Minister of Public Works, were appointed a committee to look into the matter of the charges made by the architect and the contractors in the construction of this building. It was a rather difficult proposition to undertake, and it was not easy to arrive at conclusions that would be satisfactory both to the architect and contractors and to the people of this country, but a settlement was made that I think upon examination will be found to be very satisfactory. It was not entirely satisfactory to the contractors, nor to the architects, and perhaps it will not be altogether satisfactory to the people of this country, but I think it was a fair and just settlement. The contractor and the architect were to go on and complete the tower. They agreed to do that on the terms that have already been stated by the minister. I need not recapitulate the arguments in favour of completing the tower. I am perfectly satisfied in my own mind that it would be economy to get the main work in connection with the tower done now. I realize the need for economy. I realize that people all over this country might wonder why should we expend thousands of dollars to finish the tower when there is a dire need for money in other directions, but I think it can be conclusively shown that it would be a waste of money to wait for five years before starting to finish the tower. There is a vast amount of machinery lying down there that at the end of this year will have to be removed, or paid extra for if it remains there. There is also depreciation to be taken into account. I pointed out to some of my friends before the minister spoke just a few moments ago that if we left it over for five years there would be quite a difference for a number of years between the different sections of the tower in the colour of the stones.

There is another point that has not been emphasized. I have never seen the plans in regard to the tower, and I would not understand them if I did see them. I question if they are down on paper yet. I think they are probably in the architect's head, and they would not be available to anyone starting in to finish that tower some years hence. I do not think any other architect coming in would be able to complete the tower exactly on the lines projected by the present architect.

Mr. STEVENS: There is a model.

Mr. FORKE: Yes, but that is of the outside of the building. It does not show the interior. I do think, after listening carefully to all the arguments that have been made, though I am as much in favour of economy as anyone, that it would not be a mistake for the government to take the advice of the opposition, supported I think by a good many members in my part of the House, to cut off at least $100,000 from that estimate. I think everyone would like to see the tower finished and everything done up nicely. When it is finished the building will be a show place not only for the people of this country, but for visitors from other countries. I would ask the minister if he cannot conscientiously cut off $100,000 from this estimate, and I would then be prepared to give him my hearty support.

Mr. KING (Kootenay): I should like to meet the wishes of hon. members, but with the knowledge I have I do not think it would be wise to cut this estimate and say: There, that is all; after that you can let your architect and your contractor go. We are under contract and we have architects' fees to pay, and I want to get this building out of their hands just as soon as we can. The sooner we get them out the less expense there will be. During the last two or three years we have had many votes under which we might have spent considerable sums of money, but we have not done so, and it is not the intention of the department to do so, in the future. We shall spend only what is necessary. We have a certain staff around this building, and there are times when we can utilize that staff to carry on important work, and if we are given a little leeway, I can assure hon. gentlemen, we shall not be extravagant. We never have been, and we do not propose to be. With a vote of $600,000 this year we shall be able to carry on and if it is not necessary to expend that amount we shall not expend it. But to say that we should cut off $100,000 from an estimate that the departmental staff originally recommended should be $800,000 would be hardly fair, considering their judgment and the care they have given to this last report. I can assure the House that great care will be taken in any additional expenditure that may be considered, and the money will be expended only if it is considered to be in the interests of economy to spend it.

I wish to take advantage of this opportunity to express my appreciation of the very valuable assistance I received from the hon. member for Brandon, (Mr. Forke) the hon. member for London, (Mr. White) and the hon. member for St. Lawrence-St. George (Mr. Marler) in arranging the settlement between the architect, the contractor and the Public Works Department. They gave a great deal of time and attention to this matter, and I wish to assure them that this was greatly appreciated by myself as Minister of Public Works.

Sir HENRY DRAYTON: I would like to ask the minister a couple of questions. First, does he really think it is necessary to do stone carving around this building at the present time?

Mr. KING: (Kootenay): We are not doing any now, I think.

Sir HENRY DRAYTON: Of course, the minister is not doing it now, but the money was voted last session and that work has been going on. There is an item for stone carving again this year. Does the minister really think it is necessary at the present time to throw away money in stone carving?

Mr. KING (Kootenay): The carving done last year was considered necessary. It was done above the throne in the Senate; it was necessary to put up the canopy and complete the work there. There has been no large amount of stone carving done, and we do not propose to do any except in places where it is considered necessary it should be done. In connection with the memorial chamber, of course, it will be necessary to do considerable carving.

Sir HENRY DRAYTON: That is a different thing entirely. We challenged the stone carving last year. Gentlemen who are interested in this subject, if they would go over to the Senate some time and observe some of the incongruous heads that are being carved there, out of all keeping with the general plan of the building and the general scheme of architecture, will see just exactly how necessary that work was. If anything further illustrating the throwing away of money were wanted it seems to me all my hon. friends need to do is to proceed to the next floor, go along the general court, and observe the tremendous amount of money that is being spent for the purpose of getting the proper architectural effect with the gothic arches we have there. They are supposed to be some of the finest gothic arches in the world. As to that I do not pretend to be a judge, but there you see the gothic arches and they are absolutely ruining the tracery by setting up the most expensive kind of modern, up-to-date bank fixture grilles, that are entirely out of keeping beside

this architecture of the centuries that have gone by. I do not think that sort of stuff is necessary. If it is the work ought to be done by somebody who has an idea of the general scheme or spirit of the architecture of this building. The one reason that appeals to me for going on with the tower at the present time is in order to secure harmony, in order that the original conception or design can be adhered to.

Now, the minister says he cannot do this work for less than $600,000. I have not been able to accurately follow his figures at all. I was not here when the matter was discussed on Friday, but we have two sets of figures to-day and I confess that I am not enlightened by them. If the minister is wise he will realize that the sense of the committee is that the only thing that ought to be done is to finish the tower and the memorial chamber—that and nothing else. If he is wise he will—without haggling over a few cents here and a few cents there—consent to a change in the wording of this vote, so that this money shall be used for the completion of the tower and the memorial chamber only. If that is done I have no objection.

Mr. KING (Kootenay): That is practically the purpose in—

Sir HENRY DRAYTON: If it is practically the purpose there is no reason why you should not change the wording of the vote.

Mr. KING (Kootenay): Take the one item of $8,000 for the electric wiring of the library. Now, any hon. member who goes into the library will see the absolute necessity of that work being done. Then there is the pay list, which represents a very considerable amount, for the work which may occur about this building from time to time. I think the estimate is a close one for the work that should be done this year. If the vote is not necessary it will not be expended.

Mr. STEVENS: An estimate for any work that cannot be foreseen cannot be included in this item, because the minister has given to us—unless he is misleading the committee, which I do not suggest—a definite list of the items for which he is asking this money.

Mr. KING (Kootenay): Not at all. It is the proposed list, the proposed expenditure, that I outlined.

Mr. STEVENS: Is this list a joke or is the minister sincere? Let me again draw the items to my hon. friend's attention, I have spoken of them three times already. There is the item of $50,000 electric fixtures. That is wholly unnecessary. I say it is absolutely unwise—and it has nothing to do with the tower at all—to tear down perfectly good electric fixtures and replace them with ornamental permanent fixtures. This work undoubtedly will have to be done ultimately, but in the meantime the present fixtures are apparently effective and perfectly good. There is $50,000 in one item.

Mr. KING (Kootenay): What item?

Mr. STEVENS: I have it in my hon. friend's own words "Special lighting fixtures." And then I asked for an explanation, and he told me what it was for—they were for the corridors. While speaking in regard to this matter the minister advances the view that the government have certain contracts to consider. Well we asked the minister to lay the contracts on the table. Here let me say that I do not like to waste the time of the committee by talking to deaf ears. If the minister will be good enough to listen—

Mr. KING (Kootenay): I am listening.

Mr. STEVENS: I asked the minister the other day if he would lay the contracts on the table. What was laid on the table was an order in council with the report of the special committee, to which my hon. friend has referred in some kindly words of gratitude, and I think well earned. This is all the information we have, and it does not give us the particulars we desire. Perhaps the minister may have more information and if so he should produce it. The only clause in the return that indicates a settlement is the second last paragraph which I will read:

> Under the circumstances and without reference to the technical legal aspects, the undersigned believes that a settlement with the architects, if it can be made on the basis of $123,004.20, covering Mr. Pearson's services in full, and $19,142.50 covering Mr. Marchand's services in full, or a total payment of $484,335.63 to both architects, of which Mr. Pearson would receive $412,344.92 and Mr. Marchand $71,990.71, is advisable and that it is probably quite as good a settlement as would be obtained by further delay and litigation, particularly as an interest charge would likely be added to any amount recovered, whereas in the settlement proposed above interest is not contained in Mr. Pearson's statement.

Now we have this recommendation of the committee—I think a perfectly proper recommendation and I am not questioning it—but the minister has not brought down any indication from the architects that they accept it. I asked the minister for a copy of the contract with the contractors, and also for a copy of the settlement with Mr. Pearson, and I suppose with Mr. Marchand as well. At present we do not have these documents. All we have is the recommendation from the

5 p.m.

spceial committee, and no indication that the settlement is accepted by Mr. Pearson. If the minister has any further information the committee is entitled to have it.

Mr. KING (Kootenay): I understand from the officials that the papers filed are those that were asked for. It is true there was further correspondence with Mr. Pearson regarding the continuance of the work.

Mr. STEVENS: My hon. friend wholly misunderstands me. The other day we asked the minister for a copy of the contract showing the settlement between the government and Mr. Pearson, or the architects represented by the gentleman. The minister said there was such a contract, and he again stated that to-day.

Mr. KING (Kootenay): The contract is not the settlement. You have the terms of the settlement.

Mr. STEVENS: No, the document I have in my hand is not a settlement, it is the recommendation by the special committee, and there is no evidence whatever that Mr. Pearson has accepted it.

Mr. KING (Kootenay): That is really the recommendation to council and the basis of the settlement, and Mr. Pearson accepted it.

Mr. STEVENS: Has Mr. Pearson accepted it? In that case would the minister let us have the letter, or contract, or agreement, or whatever he likes to call it?

Mr. KING (Kootenay): I have not the official receipt. But I may advise my hon. friend that Mr. Pearson did accept and signed a receipt for the money in final settlement. That receipt can be brought down if my hon. friend wishes it.

Mr. STEVENS: We ought to have it, it is exactly what we are asking for.

Mr. KING (Kootenay): A copy of the receipt will be tabled if my hon. friend wishes.

Mr. STEVENS: What does the minister mean by "receipt?" I notice that Mr. Pearson challenges a statement made once before, made not by my hon. friend but by the department, that he had accepted a certain settlement. The committee entered into quite a discussion of whether or not that is correct. The minister says, "Mr. Pearson has signed a receipt." It would not necessarily follow that Mr. Pearson had accepted the settlement that I have just read. The receipt might be an interim receipt accepting this money on account. It may not disclose a settlement at all. The reason I am pressing this matter is this: We do not want to vote $600,000, or $500,000, for the completion of the tower, on the assurance the minister has given us that it is necessary to do the work in order not to run into expense in the future, and then next session to be told: "Mr. Pearson has not made a settlement and we want a vote to settle with him." If Mr. Pearson has accepted this settlement recommended by the committee, which settlement I am not questioning at all, then his letter is on file and the committee is entitled to have the letter.

Mr. KING (Kootenay): Certainly.

Mr. BOYS: The minister was to let us have a copy of the contract. I understand some arrangement was made whereby the machinery is to remain until 31st December of this year, and if the work is not proceeded with by then, the machinery is to be removed. I asked the minister whether or not we would be liable to the contractor if the work was not proceeded with, and his answer was that he presumed a claim would be made. I understand, if these arrangements have been completed with the contractor, they are not all oral. I presume they have been reduced to writing. I should think the contractor himself would want some protection, and whether he does or not, one would certainly expect that the department would want it. That is not made apparent. If, in accordance with the suggestion made by the hon. member for Vancouver Centre, this vote is reduced to $500,000, that would furnish all the money required by the minister for the work on the tower and the memorial chamber, with the exception of $20,000. If the minister's own figures are right and final, it would be proper to cut the vote down, perhaps not by $100,000, perhaps only by $75,000. But we ought to be sure of the accuracy of those figures as far as we can be sure of estimates. We have only to take the figures the minister has given us as reported on page 558 of revised Hansard and add them up, and we find at once that, according to his own estimates, $525,000 will do that work. I quite appreciate that below the first list there are items which I have also added up, and they total $81,000. If those figures are correct, only $519,000 is required to complete the tower and the memorial chamber.

Mr. KING (Kootenay): Has the hon. member allowed anything for the architect's commission or the contractor's commission?

Mr. BOYS: Has the minister?

Mr. KING (Kootenay): Not there.

Mr. BOYS: I take it for granted that when a minister brings in estimates, which, of course, he receives from his department, they do not omit many things which they ought to include. If there are omissions, we ought to let the item stand in order that we may get a complete list. I am assuming that the figures the minister has given are not only complete, but accurate as far as any estimates can be; and if they are, I repeat that on the minister's own figures, only $519,000 will be required to do that work. I want to be perfectly fair, and to say that this does not include the special lighting fixtures which amount to $50,000, a big item. But if we have any desire to economise, surely we can get along with the lighting fixtures that we have in this building now. They are satisfactory, it seems to me, for the present. The total I have given does not include the $10,000 for stone carving and modelling for interior. There is $60,000 in those two items alone, and you are within $20,000 of the figure I have given. If the minister insists on getting $600,000 and gives us figures which will show that that amount is absolutely necessary to see that work completed, which I want to see completed, I am quite willing to support the item. But unless he can do so, I would support a reduction of this item by, at least, $75,000, because the vote reduced by that amount will do the work as provided by the minister and will accord with the minister's own figures to this committee.

Mr. WOODSWORTH: Does this item include the wiring for the Library? If so, could such wiring not be done without putting in very elaborate fixtures?

Mr. SPENCE: I think the minister is at fault. We should have a detailed statement showing the different expenditures and items. If we had that, there would not be so much cross-questioning. I am not criticizing the minister, but the strictest economy should be practised in this House. It is very easy to spend money and it is very difficult to make it. I am in favour of finishing the tower as regards the stone and brick work, keeping in mind the electric conduits and the beams in connection with the operating of the elevator, but we should not do anything at all that is not an absolute necessity. To say that $50,000 should be spent in electric lighting fixtures throughout this building is an absurdity, and such an expenditure should not be tolerated by this committee. I hope the committee will take this item into careful consideration. We should not pass this item to-day until we have a detailed statement and are able to see what we can take off. If $550,000 is required, then I say: Spend that amount, but do not spend any unnecessary amount in the work. In different governing bodies, it is often said, "You can never do the work as cheaply as now." That is wrong. You are doing it at the highest pitch, and to say that you can never do it as cheaply as now is pure imagination. One reason given for finishing the work now is that the present architect, if we delay the work, will not remain on the job to finish it. Surely we can get another architect just as efficient and good as the present one.

Mr. KING (Kootenay): As regards the wiring in the library, it is not proposed to put in expensive fixtures, but it is absolutely essential that we re-wire. The present wiring is old, and it is reported that there is great danger. As regards the amounts that go to make up the $600,000, the matter has been canvassed pretty thoroughly, and I am satisfied, as I have already informed the committee, that there is no desire to start any extravagant expenditures. I think we should do those things that are essential in the tower,—complete the tower,—and the appropriation should not be reduced because other things may arise from time to time, where expenditures may have to be incurred. The estimate of $600,000 this year is a close estimate. The departmental officials asked for $800,000, and that amount was reduced by the government to $600,000. I think the appropriation should pass.

Sir HENRY DRAYTON: I entirely concur that we should have any necessary wiring done in the library. That is something that can be looked after by an appropriate vote. Nobody would object to that. It can be added here or in the supplementary estimates. That work ought to be done; but that ought not to be made an excuse for leaving a vote of $600,000 open which can be used in any way the government sees fit around these buildings. I think the sense of the committee is that we should do only that which is absolutely necessary; that we should not do any more fancy carving or put any more expensive steel grilles,

hand turned work or anything of that nonsense, at the present time. The one thing we think is necessary and proper to be done at the moment is to complete the tower and the memorial chamber. Therefore, I beg to move:

That the wording of vote 139 be amended by adding after the word "building" in the first line the words "for completion of tower and memorial chamber only."

The minister told me only a few minutes ago that that is practically all that is wanted. If that is all that is wanted, there ought to be absolutely no objection on the part of the government to accepting this amendment. The little question about the wiring in the library can easily be looked after.

Mr. SPENCE: Would the Minister of Public Works be willing to let this item stand over until to-morrow? I do not wish to obstruct at all, but I would like a detailed statement of what this item is for. I am sure the matter would be disposed of to-morrow in five minutes if we had that information.

Mr. SUTHERLAND: I have studied these estimates carefully and it appears to me that in regard to these various items the same scrutiny with a view to economy should be exercised as would be practised in the case of any ordinary business. The people in the country in their private affairs are bound to exercise the most rigid economy and the same should be done in parliament. I agree with the hon. member (Mr. Spence) that the government should submit a detailed statement of these matters so that hon. members migh be in a position to consider them to better advantage. If that were done the estimates would be disposed of more readily. As things are, we have to worm the information from ministers, sometimes apparently against their will. I have a very vivid recollection of the last nights we spent in this House during the last session of parliament when supplementary estimates were being rushed through with lightning rapidity; and apparently we are being asked to pass these items in the absence of adequate information. I do not think it is at all wise for the government to ask for money at this time to do something that is not vitally necessary, while it neglects other things that are imperative. The government are economizing today in regard to matters which in my opinion are absolutely essential and for which the various provinces will have to incur expenditures. I do not think that the people will approve of our spending money on something that can be postponed, when works that are absolutely needed are neglected. I think the amendment is a reasonable one. If it is necessary, as I believe it is, that the outer part of the tower should be completed in order to obviate a loss from possible deterioration, that I think is as far as we ought to go at this time.

Mr. MACKENZIE KING: We have surely discussed this matter at sufficient length to know our minds and I hope the committee will take a vote upon it without undue delay. The amendment is not, in my opinion, in order; but even if it were I contend that it does not carry out what is indicated by the general trend of the discussion opposed to the vote, namely, that we should not go the length of spending $600,000 on the tower and the memorial chamber. If I have gathered correctly the view of hon. members generally it is that the amount is too large for the purpose for which it is designated. The money is intended for work in connection with the Ottawa parliament building, and besides the tower and the memorial chamber it takes in some other matters such as the wiring of the library which are imperative and should be attended to at the present time. The minister could cut down the vote by, say, $50,000 and bring in supplementary estimates for the work in the library and the other purposes he has in mind. But I submit that it would be unwise for him to do so. There are staffs employed about the building, some of whom while work is in progress, are idle for a day or two at a time and have to be brought in whenever the contractor is ready to go on with some part of the work. It is very much in the public interest to allow the minister a sum sufficient for what may be necessary for the buildings as a whole, because, as he tells us, out of that sum he can take what is needed for the tower and the memorial chamber. What he has submitted to the committee makes it clear that he is not asking, for the tower and the memorial chamber, more than the technical officers and those who are in a position to advise him have recommended. When this matter came before the cabinet first, the estimates that were submitted to us were $200,000 greater than the amount which the government is now asking parliament to vote. We have gone through the estimates with a fine tooth comb and taken out every cent which we thought could be saved to the country. No one is more anxious to make a showing of economy than each member of the govern-

ment. It is to our credit and interest alike to save every cent we can, and the estimates which we have brought down show that the government has done its utmost to economize. To restrict this vote by limiting it only to the tower, when we have asked for enough to build the tower and do what other extra work may be necessary, would be in my humble opinion a mistake. We shall require the amount we have asked for. I hope the committee will soon take a vote on the question, for if we keep on discussing it we shall soon use up enough public money to pay for the greater part of the tower.

The CHAIRMAN: With regard to the amendment of the hon. member for West York (Sir Henry Drayton), that item 139 be amended by adding after the word "building", in the first line, the words "completion of tower and memorial chamber only", I have reached the conclusion that the motion is out of order. Section 172 of Beauchesne's Parliamentary Rules and Forms reads:

> It is not allowable to attach a condition or an expression of opinion to a resolution in the Committee of Supply, or to change the destination of a grant.

This is confirmed by May. At page 480 the following appears:

> The committee may vote or refuse a grant, or may reduce the amount thereof, either by a reduction of the whole grant, or by the omission or reduction of the items of expenditure of which the grant is composed: but the committee have no other function.

And in the footnote there is the following observation:

> Though undoubtedly out of order, amendments of this nature have been moved, but the proceeding has been either withdrawn, or subsequently negatived, such as the amendment of a building grant for the University of London, by a proviso, "That no part of such sum shall be applied to the erection of any building according to either of the designs now exhibited," which was omitted on report.

On these authorities I rule the proposed amendment out of order.

Mr. STEVENS: I want to say a few words in reply to the leader of the government (Mr. Mackenzie King), who, I think, is in error, The Prime Minister evidently did not have before him the figures which the Minister of Public Works (Mr. King, Kootenay) gave. We have a detailed statement by the minister, set forth when the vote was introduced, or during the course of the discussion the other day, and reported at page 558 of Hansard. The total as given by the minister is $525,000 odd, and included in that, is an item of $50,000 for special lighting fixtures, which the minister himself tells us is intended to replace temporary fixtures of which I have spoken on several previous occasions. Now, I positively object to that, as I think most hon. members do. In addition to that, there is an item of $10,000 for carving, which we claim is unnecessary. There is an item for grille work which is also unnecessary. So that there is a sum of $525,000 embraced in the description. That means that the minister can take $475,000 and complete the tower and memorial chamber, the wiring in the library and all these other items which we are not objecting to, and even that expensive and extravagant reflector lighting system which is included in that sum. We object to going beyond that. I shall move an amendment which I think you will admit, Mr. Chairman, is in order, and in moving it I think we on this side are offering something very generous to the minister, in that we are going beyond what we consider to be necessary to carry out the minister's request that the tower be completed. Seconded by the hon. member for Peel (Mr. Charters) I move that item 139 be reduced by $75,000 in respect of the item of $600,000 for the Ottawa parliament buildings.

Mr. WOODS: Mr. Chairman, while listening to the discussion the other evening I was inclined to agree that the completion of the tower might very well stand over for a few years, but after hearing the explanation given by the Minister of Public Works (Mr. King) this afternoon, I have come to the conclusion that sometimes it is a very serious mistake to indulge in hairsplitting. It looks to me as though there was a little of this attitude in the discussion. If this work is necessary—and I presume from what the hon. minister has told us that it is,—I think we would be very unwise not to undertake it. We know very well in connection with our own houses that if we let some necessary repair go by default, ultimately it costs us a great deal more than if it had been attended to at the proper time. Therefore I am in favour of putting the estimate through as it stands.

Amendment (Mr. Stevens) negatived: Yeas, 46; Nays, 96.

Sir HENRY DRAYTON: Before the item is carried, I wonder if the minister could now give us a clear statement of how much money he is going to spend on grille work and carving?

Mr. KING (Kootenay): That I cannot give. It will be entirely in the control of the department, and will be just as little as possible.

Sir HENRY DRAYTON: Has not my hon. friend any estimate at all? Does he not know anything about the details?

Mr. KING (Kootenay): We have one estimate—parliament building, $600,000—before the House. In making up that estimate the department has suggested certain expenditures, which are left to the judgment of the ministry, and there will be just as little expenditure as possible on grille work and other fancy frills which my hon. friend seems to fear.

Sir HENRY DRAYTON: Again I am going to ask the minister: Has he any estimate at all, no matter how vague or misty it may be, either on carving or grille work?

The CHAIRMAN: Shall the item carry?

Sir HENRY DRAYTON: I have asked the minister a question.

Mr. KING (Kootenay): I have submitted certain estimates to the committee, and I think my hon. friend has had an opportunity to hear them.

Sir HENRY DRAYTON: I ask the question again—I do not mind at all what the answer is so long as I get some sort of answer: Has the hon. minister any estimate of any kind as to the amount of money to be expended on stone carving and grille work? It is a perfectly plain and simple question.

Mr. KING (Kootenay): I have no doubt that my hon. friend understands this very well. The estimate is for $600,000, and the money is to be expended within the judgment of the government as advised by its departmental officials. I have in my hand a suggested expenditure of $10,000. That does not mean that the government are going to spend $10,000. It is made up by departmental officials, but the total expenditure is left within the judgment of the government or of the department which recommends the expenditure to the government.

Sir HENRY DRAYTON: Does my hon. friend mean to say that the figures which he gave the House the other day were a joke?

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: Are the details of expenditure left simply to the government?

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: Then does my hon. friend concede that he is bound by the item of $10,000 for stone carving?

Mr. KING (Kootenay): We are not bound to do it, no.

Sir HENRY DRAYTON: Mr. Chairman, I do not think it is necessary for me to show further the absurdity of the position. The whole of this money can be spent on the stone carving or anything else the government may choose to apply it to. We have not the slightest particulars to help us out at all.

Mr. WOODSWORTH: Mr. Chairman, since we have not had any detailed statement of how much it will take to preserve the tower against deterioration, or to install the wiring and carry out other repairs included in this item, I beg to move, seconded by the hon. member for Southeast Grey (Miss MacPhail):

That the item No. 139 as it stands be struck out.

The CHAIRMAN: The amendment requires to be in writing.

Mr. STEVENS: Mr. Chairman, I am surprised at the minister's statement that there is no limitation on the expenditure of this money so long as it is spent within the vote for the parliament building. In all good faith we accepted his statement that the vote was subdivided. Now, he tells us that there is nothing binding about the subdivision. If the completion of the tower costs $600,000, without any interior fixtures, he is at liberty to spend $600,000 upon it; or if the memorial chamber costs $200,000, he is quite at liberty to spend it if he so chooses as long as the total expenditure is within the $600,000. That, I think, is not treating the committee fairly. An hon. member said a moment ago that we were hairsplitting on this matter. I submit to the government that we are not hairsplitting. This is a big vote and we have a right to scrutinize it. Unless the minister's statement on page 558 of Hansard is a fair and accurate statement showing the direction in which this money is to go and the amounts to be expended on the items mentioned, then he has misled the committee, whether deliberately or not I am not stating. But I do not say that the committee were wholly misled and misinformed the other day.

Miss MACPHAIL: I want to say one word in support of the motion to strike out the whole item of $600,000. I am against the principle of a memorial chamber. I know

that is not a popular attitude to take, nevertheless that is my view. I think we have too many stone memorials throughout this country and not enough sympathy in the hearts of the people for the wrecked humanity that is the living memorial of the late war. If this money were spent in helping the soldiers and their dependents; if the Pensions Board and some others were advised to treat the soldiers sympathetically; if the money were put into a fund that would be used to help desperate cases against which the law seems to be almost too hard, it would be more sensible. The tower, of course, looks as if it were not finished, but there are a lot of things in Canada not finished. I think sometimes it is hard enough on us to have to look at one another's faces without having to look at carved faces on the walls—I am thinking now particularly of the men. Electric lights and fixtures seem to cost more in the parliament buildings than in private houses. What sort of special lighting fixtures will it take $50,000 to pay for? Are there so many people using the library that there is not light enough for them now, or what is the difficulty? I never noticed that the Gentleman Usher of the Black Rod had dinted these doors at the end of the Chamber. I know they are only temporary, but they are doing very well. They are used by very many people besides the Gentleman Usher of the Black Rod who enters two or three times a session, and I think they will do another year or two. The fact of the matter is that in this chamber we are apt to get too far away from the people, even those of us who pride ourselves on being near to them. The people not only want economy, they will have it, and if we do not give it to them they will send people here who will. The whole thing is atrocious and silly, the amount of money that it takes to do government work. I am against this vote of $600,000.

Amendment (Mr. Woodsworth) negatived: Yeas, 14; Nays, 124.

Mr. SPENCE: May I ask the minister when this work will be started and when he intends to have it finished?

Mr. KING (Kootenay): I hope to have the work under way shortly. In fact, the architect's plans have been submitted and are in the department. It is hoped to have the masonry work completed before fall.

Mr. SUTHERLAND: I still think we are setting a bad precedent at the beginning of this session. Did I hear someone say, "Obstruction?" I do not like to hear anyone use that word, because I have not taken up very much of the time of the House. But there is one thing I am going to insist on, if we have to sit here the whole year, and that is that there shall not be a repetition of what we had the last night of last session. There is need for economy and for paring down all proposed expenditures, and the government might just as well realize that first as last. If the minister thinks he can come before the House and get his estimates passed without granting reasonable requests for information, he is very much mistaken. The statement that was given to the committee the other night is at variance with the statement made to-day by the minister that $600,000 is required for this item. If you take the list given and go over it item by item you will find that it does not come to that amount, and the minister has now virtually admitted that he has no definite estimate from his department as to what this expenditure is for. That is what I rise to emphasize: a definite statement should be placed before the committee as to what is intended to be done in connection with the proposed expenditure.

Mr. BRETHEN: Is it necessary that the chimes be placed in the tower while the remaining construction work is proceeding?

Mr. KING (Kootenay): Not necessarily. We are providing for the chimes; whether they will install them this year or not I cannot say. Replying to my hon. friend (Mr. Sutherland), I think I have tried to be courteous and to give all information asked for. But when members take an estimate and say that you are confined to that estimate as your expenditure, that is not what is intended at any time, and never has been. If that course were followed in connection with all amounts voted in parliament we would be here not five months but the year round. The amount asked for is what is considered necessary for the work, and the departmental organization must be depended upon as to how and when this money can best be expended; we must be guided by those officials. The estimates, of course, are those that are suggested by the department, but that does not mean that we are going to spend $50,000 in lighting fixtures. I can tell the committee we are not going to do that; at least, it will not be with my consent, I will advise against it. So, for the work this year in connection with the completion of the parliament buildings, it is necessary that we should have $600,000. The main item of expenditure will be for the masonry for the completion of the tower, the masonry in the memorial chamber,

the electrical wiring, the installation of elevators, roofing, and so on. I have tried to make it clear that it is the government's desire to curtail expenditures wherever possible, and that is evidenced by the fact that we reduced the amount submitted by the officials as the necessary expenditure for this year. I have no desire not to meet the wishes of my hon. friend or of any hon. member, but to say that we must be tied down to the estimates given by the departmental officials, that has never been the policy in this House. It has never been suggested before.

Sir HENRY DRAYTON: I would like to help my hon. friend. He points out that he does not agree with the estimate for lighting which has been submitted by his staff. I would like to strengthen his hands, and I propose to move that resolution No. 139 be reduced by the sum of $50,000, being the amount estimated for special lighting fixtures. That is something which ought to help the minister if his statement is correct, and I am quite sure that it is.

The CHAIRMAN: I am afraid the amendment is out of order.

Sir HENRY DRAYTON: I should like to say something on the question of the right to move such an amendment. I quite admit that a member would have no right to change by an amendment the destination of a grant; there is no doubt about that, but I submit with very great deference that he has a right to limit the destination of a grant, that he has just as much right to limit the destination of a grant as he has to move to reduce a grant. Here is an estimate; so much to build the tower, so much for the memorial chamber, and the rest. We really want to get the tower built and to limit the vote to that. But however that may be, I just want to point this out to you, Mr. Chairman; it does not make any difference whether the words "being the amount estimated for special lighting fixtures" are in the amendment or not. That is one of the ways in which you can test whether a motion is in order. There can be no objection made to a motion that resolution No. 139 be reduced by the sum of $50,000. That is not qualified by the simple statement "being the amount estimated for special lighting fixtures."

The CHAIRMAN: I would call the hon. member's attention to Rule 172 of Beauchesne's Rules: "It is not allowable to attach a condition or an expression of opinion to a resolution in the Committee of Supply or to change the destination of a grant". I am rather inclined to think that the hon. member in expressing an opinion.

Sir HENRY DRAYTON: I am merely stating what I am taking off. I do not think that is an opinion.

The CHAIRMAN: The amendment moved by the hon. member for West York "that Item No. 139 be reduced by the sum of $50,000, being the amount estimated for special lighting fixtures" is in my opinion out of order in its present form, and comes under section 172 of Beauchesne's Rules. On page 480 and following pages of May, there are given a large number of instances where that rule has been applied. I must rule this amendment out of order.

Sir HENRY DRAYTON: I bow to your ruling, Mr. Chairman. I will just remove the explanatory line and move to reduce this vote by the sum of $50,000, and I will tell the House what the motion means, which is perfectly in order. I think most of us have the idea that $50,000 is not necessary for this ornamental lighting, and that part of the estimate that goes to make up this $600,000, an insufficient total at that, includes this item of $50,000 for lighting fixtures. It is all very well to talk about cutting out things that are unnecessary and the like. Here is a chance to vote on it.

Amendment negatived. Yeas, 44; Nays, 84.

Item carried on division.

Progress reported.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

REDISTRIBUTION BILL

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved the second reading of Bill No. 2, to readjust the representation in the House of Commons.

He said: The bill before the House is identical with the measure which was introduced at the last session, with the exception that an alteration has necessarily been made in the year. That bill, as hon. members will recall, passed its second reading, and was referred to a select committee of the House which reported at the end of the session as follows:

The special committee, to whom was referred the Bill No. 15, an act to readjust the representation in the House of Commons, beg leave to present the following as their third report:

Your committee held several meetings since its appointment on the 22nd of February last. The preparation of the schedules to be annexed to the said Bill was entrusted to sub-committees. The greater number of such sub-committees accomplished considerable work and have, from time to time, reported progress to your committee. It has been found, however, that differences of opinion exist, and your committee have decided that it would be unable to complete the schedules before prorogation.

They therefore have agreed to report back the Bill without amendment, and recommend that a similar committee be appointed at an early period at the next session of parliament to consider such Bill.

Your committee also recommend that the letters, maps secured from the Department of the Interior and papers produced in the course of its proceedings remain in the possession of the clerk of the committee until the next session of parliament, and that the same be produced by him at the first regular meeting of the newly-appointed committee.

Your committee also submit herewith a copy of the printed proceedings and evidence taken before them for the information of the House.

This report is to be found in the votes and proceedings of June 29, 1923. On the motion of Dr. Beland (for Mr. Macdonald, Pictou) the third report of the special committee to whom was referred Bill No. 15 to readjust the representation in the House of Commons was concurred in on June 30.

I need scarcely remind the House that the government, in bringing forward this measure, is not exercising any discretionary power, but is simply discharging the duty which is imposed upon it by the constitution. The law, as hon. members know, provides that after each decennial census there shall be a redistribution of the seats of this House, and since confederation there have been several redistributions some complete and others in part.

When introducing the bill last session I dwelt upon this matter at some length, and it is hardly necessary to go over the entire ground again, but as some of the questions that are likely to come up in this debate may perhaps be best answered by anticipating them, I may repeat to the House a few of the essential facts that bear on the question of redistribution.

First then, as to the redistributions which have already taken place: There have been since confederation several redistributions. The first was made in 1872, the next in 1882, the next in 1892, the next in 1903; the last redistribution was made in 1914. There have been partial redistributions for the purpose of providing for the representation of provinces which were not in the Dominion when confederation was originally formed. There was a partial redistribution in 1871 to give Manitoba representation; a partial redistribution in 1887 to provide for the representation of the Northwest Territory; and there was a partial redistribution in 1907 to provide for the representation of the provinces of Saskatchewan and Alberta which were subsequently formed out of the Northwest Territory.

In 1915 an amendment was passed to the British North America Act relating more particularly to the province of Prince Edward Island. It was in the nature of a partial redistribution, and added to the British North America Act as section 51a the following provision:

Notwithstanding anything in this act a province shall always be entitled to a number of members in the House of Commons not less than the number of Senators representing such province.

By section 1, subsection 1 paragraph 2 of the Act to Amend the British North America Act, 1867, being 56 George V, Chapter 45, the representation of Prince Edward Island in the Senate was fixed at four members. The census prior to that partial redistribution would have affected the representation of Prince Edward Island to the extent of the loss of one member, but for this amendment which provided that no province shall have in the House a smaller representation than it has in the Senate.

Another partial redistribution was made to give the Yukon territory representation in the House of Commons. The Yukon territory obtained its right to representation under the act known as the Yukon Territory Representation Act, 1902, assented to on the 15th May, of that year. The clause that relates to this matter reads:

The Yukon territory as that territory is defined and constituted by section 13 of the schedule to chapter 41 of the statutes of 1901, shall be an electoral district, and shall return one member to the House of Commons of Canada.

The Yukon territory received its representation under the redistribution of 1903.

Perhaps it would be well also to put on record for the convenience of members the sections of the British North America Act which bear specifically on this matter of redistribution. The pertinent sections are as follows:

Section 37. The House of Commons shall, subject to the provisions of this act, consist of one hundred and eighty-one members, of whom eighty-two shall be elected for Ontario, sixty-five for Quebec, nineteen for Nova Scotia, and fifteen for New Brunswick.

Section 51. On the completion of the census in the year one thousand eight hundred and seventy-one, and of each subsequent decennial census, the representation of the four provinces shall be readjusted by such authority, in such a manner, and from such time as the parliament of Canada from time to time provides, subject and according to the following rules.

(1) Quebec shall have the fixed number of sixty-five members:

(2) There shall be assigned to each of the other provinces such a number of members as will bear the same proportion to the number of its population (ascertained at such census) as the number sixty-five bears to the number of the population of Quebec (so ascertained):

(3) In the computation of the number of members for a province a fractional part not exceeding one-half of the whole number requisite for entitling the province to a member shall be disregarded; but a fractional part exceeding one-half of that number shall be equivalent to the whole number:

(4) On any such readjustment the number of members for a province shall not be reduced unless the proportion which the number of the population of the province bore to the number of the aggregate population of Canada at the then last preceding readjustment of the number of members for the province is ascertained at the then latest census to be diminished by one-twentieth part or upwards:

(5) Such readjustment shall not take effect until the termination of the then existing parliament.

Section 52. The number of members of the House of Commons may be from time to time increased by the parliament of Canada provided the proportionate representation of the provinces prescribed by this act is not thereby disturbed.

With the permission of the House I should like to incorporate a tabular statement giving the general and partial redistribution of federal constituencies from confederation down to the present time. This is a statement I gave to the House in full last session:

GENERAL AND PARTIAL REDISTRIBUTION OF FEDERAL CONSTITUENCIES

Year	No. of Constituencies	Ont.	Que.	N.S.	N.B.	Man.	B.C.	P.E.I.	N.W.T.		Yukon
1867	181	82	65	15	19	.....	.....	.....	.....	.....	.....
*1871	185	82	65	15	19	4	.....	.....	.....	.....	.....
†1872	200	86	65	21	16	4	6	.....	.....	.....	.....
†1882	211	92	65	21	16	5	6	6	.....	.....	.....
*1887	215	92	65	21	16	5	6	6	4	.....	.....
†1892	213	92	65	20	14	7	6	5	4	.....	.....
†1903	214	86	65	18	13	10	7	4	10	.....	1
									Sask.	*Alta.*	
*1907	221	86	65	18	13	10	7	4	10	7	1
†1914	234	82	65	16	11	15	13	3	16	12	1
*1915	235	82	65	16	11	15	13	4	16	12	1

*Partial Redistribution.
†General Redistribution.

May I now say a word as to the application of the recent census to the redistribution about to be effected? First of all, I would point out that the Quebec Boundaries Extension Act, which was passed in 1912 and which enlarged the boundaries of Quebec at that time, contained a provision under which the population of the additional territory brought into the province was not to be counted, for the purposes of redistribution, as part of the province of Quebec in determining the unit of representation in accordance with the provisions of the British North America Act on that point. The Quebec Boundaries Act contains the following section:

That the population of the territory hereby added to the province of Quebec shall be excluded in ascertaining the population of the said province for the purposes of any readjustment of representation of the other provinces consequent upon any census.

Account of this provision must necessarily be taken in determining the unit of representation according to the census. The population of the province of Quebec,—exclusive of the area added by the Quebec Boundaries Act of 1912—enumerated in the sixth census, June 1, 1921, numbered 2,358,412, which, divided by 65, gives a unit of representation of 36,283;—the unit was 30,819 in 1911. The quotient obtained by dividing the population of each province, except Prince Edward Island, as shown at the date of the census, by the unit 36,283 indicates, except where section 51 subsection (4) of the British North America Act applies, the number of members to which each province is entitled. The result is as follows. I shall give, for the sake of comparison the figures of redistribution effected after the census of 1911 as well as the figures of the 1911 census, and the figures of the redistribution to be effected under the last census, that of 1921, and the census figures themselves. Here again, if the House will permit me, I will put the tabular statement in the record. I gave it in full at at the last session:

Redistribution

Province	Census 1911 (Unit 30,819)			Census 1921 (Unit 36,283)		
	Population	Quotient based on Unit	Actual Representation	Population	Quotient based on Unit	Actual Representation
Prince Edward Island	93,728	3·04	4	88,615	2·44	4
Nova Scotia	492,338	15·95	16	523,837	14·44	14
New Brunswick	351,889	11·40	11	387,876	10·69	11
Ontario	2,527,292	81·90	82	2,933,662	80·86	82
Manitoba	461,394	15·95	15	610,118	16·82	17
Saskatchewan	492,432	15·96	16	557,510	20·88	21
Alberta	374,295	12·13	12	588,454	16·22	16
British Columbia	392,480	12·72	13	524,582	14·16	14
Quebec	2,005,776	65·00	65	2,358,412	65·00	65
Yukon	8,512	.....	1	4,157	.....	1

I will not delay the House now by referring to the provision of the British North America Act having a bearing more particularly on the representation from Nova Scotia and Ontario. This I referred to last session, and hon. members will find my remarks of record in Hansard.

Let me now say a word as to the method which the government proposes to adopt in effecting this redistribution. In the old days, the government of the day brought into the House a bill in which the several constituencies were already delimited or defined. The government itself prepared the redistribution map, if I may so name it. As hon. members who have followed the political history of the country know, this method was looked upon as more or less arbitrary, if not indeed very arbitrary, and as giving to the government of the day, in virtue of its powers, opportunity for shaping constituencies pretty much as it wished, and thereby effecting what was commonly known as a gerrymander of the constituencies. In 1903, a different principle was introduced. Sir Wilfrid Laurier when in opposition had always contended that this was not a fair method of arranging the redistribution of the House of Commons. He contended that this arrangement should be made the subject of conference between the different parties in the House, and that both the government and the opposition should choose from their membership, a certain number to serve on a select committee, to which committee the bill dealing with this subject of redistribution would be referred. In the bill the number of members to which each province was entitled was set forth; but the actual defining of the several constituencies was left to the select committee with instructions to report back to the House after they had made out the redistribution map. That practice, which was adopted in 1903 for the first time, seemed to work so well that it was again followed in a subsequent redistribution after the census of 1911. That would be the redistribution of 1913 when Sir Robert Borden was Prime Minister of this country. We propose, as we did last session, to adopt that method this year, and to have chosen from both sides of the House a limited number of members as a special select committee to whom will be referred the bill in the form in which it has been presented to the House, with a space for the actual constituencies in blank to be filled in by the committee. We will ask the committee to fill out the schedule and to report to the House its negotiations in this particular.

In this connection, I think it is well that we should make clear the lines on which we would expect the committee to proceed. There are guiding principles wihich have been observed in the past and which, experience would seem to indicate, it is advisable should be strictly adhered to. The first of these is the principle of following county municipal organization as a basis in whatever may be done in arranging the constituencies. There are obvious reasons why this should be a guiding principle. The municipal organization is the basis of our entire judicial system, of our municipal system, and by holding to the county unit, municipal organization, we are following a basis that is familiar to citizens of the country generally. It might be of interest to the House for me to quote briefly a word or two from former political leaders in this House as to the particular motive which they have had in advocating that this principle be followed. It was first asserted by the Right Hon. Sir John A Macdonald in 1872, at the time of the redistribution of that year. I have copied from Hansard of June 1 of that year—page 928—the remarks of Sir John A. Macdonald at the time, and they are almost as applicable at the moment as they were in 1872:

It is desired, as much as possible, to keep the representation within the country so that each county that is a municipality of Ontario should be represented, and if it becomes large enough, that it should be divided into ridings—that principle is carried out in the suggestions I am about to make. It is obvious that there is a great advantage in having counties elect men whom they know. Our municipal system gives an admirable opportunity to constituencies to select men for their deserts. We all know the process which happily goes on in western Canada. A young man in a county commences his public life by being elected, by the neighbours who know him, to the township council. If he shows himself possessed of administrative ability he is made reeve or deputy reeve of the county. He becomes a member of the county council, and as his experience increases and his character and abilities become known, he is selected by his people as their representative in parliament. It is, I think, a grand system that the people of Canada should have the opportunity of choosing for political promotion the men in whom they have most confidence and of whose abilities they are fully assured. All that great advantage is lost by cutting off a portion of two several counties and adding them together for electoral purposes only. Those portions so cut off have no common interest; they do not meet together, and they have no common feeling except that once in five years they go to the polls in their own township to vote for a man who may be known in one section and not in another. This tends towards the introduction and development of the American system of caucuses, by which wire-pullers take adventurers for their political ability only, and not from any personal respect for them. So that, as much as possible, from any point of view, it is advisable that counties should refuse men whom they do not know, and when the representation is increased it should be by sub-dividing the counties into ridings.

That, Mr. Speaker, is, I think, good, sound doctrine. Unfortunately, although it was enunciated by Sir John Macdonald, his government, I am afraid, did not always act in accordance with it. They departed so much from the principle that it became necessary later to get back to the principle originally intended, and in 1899 a bill was introduced in this House by Sir Wilfrid Laurier for a partial redistribution, or in other words a redistribution to undo the wrongs that had been perpetrated on the electors of Canada in 1882 and in 1892. In bringing in that measure Sir Wilfrid Laurier enunciated the same principle, in the following words:

I may say at once that the object we have in view in presenting this bill is not to make a total redistribution of the electoral districts under which the House of Commons is now constituted. We deem that it would not be expedient at this time to do more than undo, so far as we can, the most glaring violations of a principle which we have always held, and which has always been universally held by public opinion in this country, to be the fundamental principle of representation. We think it is a principle which will commend itself universally to public opinion, that the basis of representation in this House should be the municipal county organization. It is in the recollection of all the members of this House that this principle was to a large extent interfered with by the Redistribution Act of 1882. That act was a violation of the principle which had prevailed up to that time, and had been maintained not alone by the Liberal party, but by the Conservative party as well. There are many well-known reasons why the municipal county organization should be preserved as the basis of representation.

It is upon that basis we shall expect the committee to whom the present bill will be referred to proceed.

There is another principle which has been followed in previous redistributions, recognized by all governments from the time of confederation down to the present, and that is that, as respects the unit of representation, the unit for the urban constituencies should be larger than the unit for rural constituencies. The reason of that must, I think, be apparent; indeed, there are several reasons, the most obvious of which I shall mention. In the first place, the people in rural areas are scattered over a very much larger area. It is not possible in a widely scattered community to organize public opinion as readily as it can be organized in more thickly settled parts. Moreover, in the urban centres there are recognized organizations ready to hand, for the purpose of focussing public opinion at any particular moment. For example, there are the boards of trade that exist in the cities, and such institutions as the modern clubs and associations of business men which we have to-day. Again, the press of the cities is a much more potent, or, at least, is a more constant, factor than the press of the rural communities; it has a power of influencing public opinion and of keeping the urban point of view continuously before the people of the country. Further, it is I think a recognized fact that many rural constituencies are represented in parliament by members who reside in urban centres and who have a knowledge of urban conditions, perhaps in some cases even more intimate than they have of rural conditions. The reverse of that is not, I think, equally true; it is not often that a city is represented, at least in this parliament, by a member who resides for the greater part of his time in the country. These are all reasons which in the past have caused committees which have had to do with the work of redistribution to recognize the justice of permitting a larger unit for the urban constituencies than for the rural. I confess that the introduction of parties representing a class, if they are rightly to be so regarded, would be to my mind a reason for departing from that principle; but I hope that parliament will not become representative of classes as distinct from representatives of the people as a whole. It is important, I

think, that all classes should be represented; but class representation would be in my opinion opposed to the point of view that a candidate when elected to parliament represents all the people from the community from which he comes, irrespective altogether of the classes to which they belong.

And that brings me to the third consideration which should be a guiding principle in the shaping of the electoral districts, that, namely, of the compactness of districts. An effort should be made, within county boundaries or within recognized defining lines as between urban and rural centres, to have constituencies as compact as possible so that public opinion within one given area will be as nearly true to the feeling of the whole community as it is possible to get it.

I think the one remaining important principle is that of maintaining, both in the case of representation in rural areas and in the case of urban areas, an equalization of population as between constituencies. The reason of that is obvious. It is desirable that the different constituencies should be, so far as may be possible, very much on an equality in regard to the numbers of the persons who compose them.

It will not, be possible of course, for the committee to work out a redistribution, following county municipal organization along the lines which I have indicated, with mathematical exactness. That has never been found possible, and never will be; but in this as in all matters common sense and fair play should be our guide. That is really the purpose of having a bill of this character referred to a committee, and it is also a reason why such a committee should not be too large in size. The idea is that a few members, well intentioned, may sit down around a table and work out a scheme to be presented to the House. It is not the intention to take away from the Commons their right to pass upon whatever may be the outcome of the committee's deliberations. The intention is to relieve this House as far as possible of a cumbersome load, of a duty which, with such a large membership, it could not begin satisfactorily to discharge. We want to get a few hon. members together around a table, actuated, as I say, by principles of fair play and justice to all, and have them work out a schedule of constituencies, and then to present it to the House for endorsation, amendment or rejection. It is with this end in view that I shall later on if the second reading carries, as I expect it will, move the appointment of a committee to whom the bill will be referred.

The government has but one object in view,—that the committee, following broadly the principles which I have indicated, shall work out on the basis of the new unit of representation the electoral districts for the representation of this House on lines which will commend themselves to the sense of fair play and justice of hon. members and of the people generally, so that this House of Commons may be, as far as possible, a true mirror of the public opinion of our country.

Sir HENRY DRAYTON: Will the right hon. gentleman allow a question for the purpose of information? He invoked as a principle which the committee ought to follow that the electors in rural districts would necessarily be fewer than those in urban districts, and he gave several reasons for this principle. I should like to know just how he thinks that should be worked out—what fraction ought to be followed as nearly as possible? For example, is one county vote to be worth as much as two or three city votes? Or is one county vote only to be worth as much as one and a quarter city votes? I do not want to tie my right hon. friend down to any particular fraction, but I think we should have some general idea as to what this committee is to do, not merely the general principle that the counties as a matter of course are to get whatever extra representation they may require. Then another question. My right hon. friend's second principle was county representation; his third, equalization of the population of the different constituencies. How can we work one without offending the other?

Mr. MACKENZIE KING: If I may answer my hon. friend's last question first, apparently he did not catch the exact words I used when I spoke about equalization. I said that, having regard to the differences between the urban and the rural districts, we should seek an equalization in rural constituencies of rural representation, and in urban constituencies of urban representation. As to the other question of my hon. friend, it illustrates I think the importance, as I said a moment ago, of referring this matter to a committee. It would be impossible for me to suggest offhand what the relative figures should be. For one thing, I would want to know what the total urban population is and what the total rural population is; I would want to have regard for a mass of statistical data which I have not had any opportunity of looking into. It would be for the committee to decide the point, and in deciding it to use their best judgment. If later the House thought that the committee had not exercised its discretion wisely, it would be open to the House, of course, to amend the findings of the committee.

Mr. H. C. HOCKEN (West Toronto): Mr. Speaker, I should like to express my entire agreement with the Prime Minister when he promised to adhere to the county boundaries. I think that is a sound principle. I can go back in my memory, Sir, to the time when the counties were cut all to pieces and some constituencies were of the most grotesque territorial description. If we adhere to county boundaries we are following a safe and just principle. I am glad to hear the Prime Minister say that we should exercise common sense and fair play in fixing the boundaries of ridings. But I would call his attention to a good old Liberal principle which, I judge from his remarks, the government intends to depart from, a principle that was fought for over a long period of years in this country, but which has of late not received the respect that it deserves.

Mr. HALBERT: "Rep by pop".

Mr. HOCKEN: Yes, you know it—the good old principle of representation by population. I would ask my right hon. friend (Mr. Mackenzie King) and also my friend of the group here (Mr. Halbert), whether we are going to proceed upon the basis of property rights or of human rights in fixing the representation and electoral influence of the people of this country.

Mr. MACKENZIE KING: I am all for human rights, myself.

Mr. HOCKEN: Then we will have representation by population.

Mr. BUREAU: That is your view.

Mr. HOCKEN: I know what your view is.

Mr. BUREAU: What do you know now?

Mr. HOCKEN: It is not very many years ago—in my lifetime, Mr. Speaker—when it was necessary to have property in order to vote; for a long time the chief qualification for voting was the ownership of property. And if we go a little further back we shall find an exceedingly restricted franchise based upon the ownership of property. Well, we have been getting away from that, and the ownership of property does not now exercise so much influence as it did in earlier days when we had a much more limited franchise which led to very many and grave abuses.

My right hon. friend gives us some reasons why there should be a higher unit of representation in the cities than in the rural districts. One is that, in the latter, population is scattered and is not easily organized. That argument might have been good enough twenty-five or thirty years ago, but it is not of any weight to-day. The rural districts of every province enjoy good roads and the people there own motor cars; the press is scattered daily by the rural mailmen to every home in the farming districts; and I presume that by the time we have another general election radio will be added to these means of communication. So the farmer will be able to sit in the comfort of his home before the grate fire and listen to the speeches of the Minister of Railways (Mr. Graham) and some of the other spellbinders of the Liberal party as well as of those of this party.

The Prime Minister suggested that the cities could be organized more easily than the rural districts. I doubt that very much. What with farmers' clubs and the widespread distribution of daily papers, the rural districts can be organized about as quickly as the cities. We have had proof of that: The hon. member for North Ontario (Mr. Halbert) knows it very well. He could go out and organize a rural riding in the course of a month or less, and get it working intensively, unitedly, and, as we have evidence on this side of the House, effectively. The argument that the population is scattered, therefore, entirely loses weight. As to some rural ridings being represented by men who live in the cities, why, that is a matter of choice for the electors themselves. No man can go out from a city and steal a seat from a man living in a rural district, against the wish of the electors. If the electors prefer to have a lawyer represent them rather than a farmer, that is a matter for themselves; so I do not think that argument can be used in favour of a difference in the unit of representation.

My right hon. friend refers to the class organizations that we have now. Well, they are before our eyes. How long that will last is a matter of conjecture. It did not last very long in Ontario; it may last longer in the western provinces. But whether it lasts or not, the fact that those interesed in the agricultural industry are so organized, places them, I submit, upon a parity with those who are organized in industrial life, and they should not ask, and should not receive, any greater favours in the way of added influence than the people who live in the city. Why should a mechanic have less political influence than a farm labourer? Why should his vote count for less? He is just as intelligent a unit of this population; he works just as hard and contributes just as much to the welfare of the country. Why does it take two men living in the city to have the same influence as one farmer? Well, the unit of population is 36,283 as applied to the rural

districts, and if I understand the scheme properly, the unit for the cities is about 67,000. Why, we will have rural districts with a population of probably 25,000 or less. Upon every ground of justice to men and to women I submit that there should be the same unit in the cities as there is in the rural districts.

Mr. KELLNER: How long has the hon. gentleman had that idea?

Mr. HOCKEN: I have always had that idea. I believe in the good old Liberal principle for which George Brown fought—representation by population. I think that a business man in Toronto or Montreal is entitled to just as much influence as a man who is farming twenty acres out in the county of Glengarry.

Mr. MACKENZIE KING: May I interject one remark? With regard to the matter of representation by population, there was one point I omitted that, I think, has a bearing on what the hon. member is just saying. Population in the rural communities—and this, I may say, was the argument that Sir John A. Macdonald used in defending the policy of giving the rural area a larger vote—is for the most part a stable population. Families remain on the land from generation to generation, occupying for the most part the same areas over long periods of time. The population in the cities is, in large part, a floating population; it is constantly changing. If my hon. friend will stop to reflect he will see that having regard to persons in the community over an equal period of time, say five years, the rural population would be entitled to a smaller unit in order that there should be true representation by population.

Mr. HOCKEN: I do not agree with my right hon. friend's argument at all. Population in the cities may change. For instance, a man may move from Hamilton to Montreal, or from Montreal to Hamilton, but still he is a man, he is a Canadian citizen, and should exercise just as much influence in the election as a man who has been living on the same piece of land a considerable length of time. Take my own city, because I know more about it than about any other large city: so far as the discussion went in the committee last year it was proposed to give Toronto nine seats and Montreal a proportionate number—eleven, I think. Toronto ought to have fifteen seats and Montreal nineteen or twenty. We should look upon people as human beings, we should not deal with the matter simply from the point of view of the length of time they have lived on a certain piece of land. People are born in the cities; they live in the cities all their lives, and in my judgment they do not move about in any greater proportion than do the people in the farming districts. We have heard a great deal from our friends to the left about the exodus from western Canada. Well, if the population is maintaining its size, there must be as many coming in as are going out, so that the population in the agricultural districts in the West is changing just as it is in the big cities. I believe that that change takes place to as large an extent as it does in any of the urban centres.

I submit, Mr. Speaker, that this point should be taken into consideration by the committee. The government ought to lay it down as a policy that there should be an even unit of population for the cities and the rural districts; otherwise you increase the influence of one class of the community, which, I submit, is not fair. I have no thought in my mind that any man living in the agricultural districts should be discriminated against, and I would not for one moment suggest that his influence should be minimized or lessened as compared with that of people in other parts of the country. But I do not think it is fair to those who live in cities and who contribute as much as they can to the welfare and progress of this country—as much, I think, as any other class of people—that there should be this difference in the unit of representation. From the results of their labour come the great bulk of the taxes that pour into the national treasury, and if their work can produce the revenues necessary to keep this country going I do not see why they should be discriminated against when it comes to their casting their ballots in a general election.

I know that there are so many more members here representing rural constituencies than there are representing urban constituencies that my argument is not likely to prevail with them. But if they are fair, if they have a mind to be just and to deal fairly with Canadians in all parts of this country, they will give the cities the same representation in proportion to population that they ask for themselves. That is all I have to say, Mr. Speaker; I simply wanted to present these views before the bill went to the committee in order that, before it was too late, they might be presented for consideration.

Mr. HUGHES (King's, P.E.I.): Just one question: when George Brown advocated

representation by population, did he not refer to the matter as between provinces rather than as between rural and urban districts?

Mr. HOCKEN: The hon. gentleman's knowledge of political history of that day is somewhat inadequate, I am afraid. Hon. George Brown advocated representation by population before confederation.

Mr. GRAHAM: That's what it is to be old.

Mr. ROBERT FORKE (Brandon): I have no doubt that we all want to do justice. We are all honourable men. But our ideas of justice may differ, and we may honestly differ about some of the matters which we are discussing. The hon. member has spoken of the rights of the cities and the dominating—

Mr. HOCKEN: The rights of the people.

Mr. FORKE: The rights of the people in the cities; it is all the same,—and the dominating influence of the countryside. Now, all the information I have been able to gather rather points the other way, that the cities of the world at large have a dominating influence over the rest of the population. I do not think that fact will be disputed. There are conveniences and advantages to be found in the cities, educational institutions, for instance, that give the cities with all their centralization a dominating influence over the rest of the population.

In regard to class representation, hon. gentlemen to my right are very fond of pointing this way and talking about "class representation," "class thinking," and "class legislation." I think that perhaps every man is to a certain extent influenced by his environment and by his interests; that is quite common, and only human. If I lived in the city probably I would be quite prepared to stand up and speak for the city, claiming at the same time that I wanted nothing but absolute justice. At the same time "If self the wavering balance shake, it's rarely right adjusted." Consequently I approach a question of this kind with a good deal of care to see that I am entirely unselfish when I am speaking of the rights of the country people.

I should like to point out to the House that we have in this group four or five members who represent constituencies where the candidate does not know the result of the election for about two weeks after polling day because the returns are not in until after that lapse of time. I might mention the constituencies of Springfield, Mackenzie, Nelson and Selkirk, all large constituencies stretching away right up to the Arctic Circle. Does the hon. member for West Toronto put a compact centre like the city of Toronto in the same position as these constituencies scattered over such a wide area? Does he not think that in all justice and fairness they do want a little more representation per capita in this House than a centralized constituency like the city of Toronto? That is one aspect of the matter as regards justice.

The hon. member also referred to the fact that the country districts had been able to organize themselves. The only explanation I can offer for that is the justice of their cause and the absolute need for organization to protect their interests having regard to the interests of the better organized city centres. They are not organized in any spirit of antagonism to the cities. It seems to be taken for granted by some hon. gentlemen in this House that when we speak for the rural districts we are speaking in antagonism to the cities. I want to repudiate any such idea. I have no antagonism against Toronto or any other city; I am proud of Toronto, proud of its progress, of its culture and learning and all its acquirements; I have no quarrel with Toronto or any other city in Canada. But I repeat once again that the prosperity and the future of Canada depends upon the development of our agricultural population. I made a statement in the House the other day, and I repeat it now, that if you let the agricultural population of Canada sink to the grade of a peasantry, I have not much hope for the future of Canada. I want to see our agricultural people an educated, cultured and intelligent people.

Mr. HOCKEN: What has that got to do with it?

Mr. FORKE: A great deal. The very fact that you would restrict us shows it has a great deal to do with it.

Mr. HOCKEN: I do not propose to restrict the influence of the rural districts in this House. All I ask is that we should have equal influence.

Mr. FORKE: I am not imputing any unworthy motives to the hon. member.

Mr. HOCKEN: You got that twisted.

Mr. FORKE: I did not mean to hurt the hon. gentleman's feelings in any way. In regard to representation, it might not do any harm for me to inform the hon. gentleman that my constituency is more than half urban, so you cannot exactly put me down as a representative of a constituency with a sparse population. A great many members in this corner of the House have a number of urban centres in their ridings, so we cannot be regarded as representing strictly a class organization. I

think I represent some 50,000 population, so after all we are not viewing matters from a purely class point of view. I know there are certain members in this part of the House who belong to a school where we do a good deal of independent thinking, and where one gets independent thinking you will get differences of opinion, and I want hon. gentlemen to remember that if we do not always follow one another like sheep it is because we think independently and follow the dictates of our own intelligence.

9 p.m.

In conclusion, I contend that in all justice and fairness the widely scattered rural populations in this country have a right to a smaller unit of representation than the highly organized centres of population.

Mr. JOHN MILLAR (Qu'Appelle): It would seem to me that there is very little doubt, when you look into the matter fairly, that the policy suggested or at least approved by Sir John Macdonald and Sir Wilfrid Laurier was eminently fair. I can well understand the contention of the hon. member for West Toronto (Mr. Hocken) that if the opportunities were equal in the country and city, the unit of representation should be equal. Let me speak of the constituency of which I know most, and it is a fair type of the constituencies of western Canada. During the last election some of my constituents had to drive fifteen miles to the poll. That meant a drive of thirty miles to and from the poll. Fortunately for the rural districts on the last election day the weather was fine but when it happens that a blizzard comes up on election day, as it sometimes does, and the temperature is down to 30 below zero, as it sometimes is, what fair opportunity have the rural districts as compared with the urban centres where all the people require to do to register their vote is to step out and walk a few blocks to the polling booth? In my constituency, to vote means a drive of thirty miles for some of my constituents. That alone, I think, is quite sufficient, without any further argument to show that the unit of population in the urban districts should be larger and in the rural districts smaller.

I was pleased to hear my leader say what he did about class representation. I have tried since I have been here, and I think every other member has done so—and succeeded remarkably well—to take a national point of view in matters that come before us.

Some hon. MEMBERS: Oh, oh.

Mr. MILLAR: Some hon. members to my right are inclined to laugh. That causes me to go a little further and say that if there is any city whose representatives give me the impression of narrowness of outlook it is a city not very far to the west. I think those who listen to the debate will be able to judge who takes the narrow view, and who looks upon questions from the broad and national standpoint. Personally, I feel that I represent Canadians in the cities as well as those in the country. I think as much of one as I do of the other, there should be no antagonism between them.

Mr. HOCKEN: Give them equal rights.

Mr. MILLAR: That is what I want to do. That is why I think the unit of representation in the rural districts should be smaller. It has been claimed that the people can be organized more easily in the country than in the city. I do not think that is the case. In the city, in the majority of cases, people are through work at five or six o'clock and can easily attend a meeting in the evening. On the other hand it is well towards eight o'clock before country people have finished their chores, and then they have to drive several miles to the place of meeting. In conclusion let me say I think it would be most unfair to make the unit of representation the same in the country as it is in the cities.

Mr. HARRY LEADER (Portage la Prairie): I feel compelled to offer a word, perhaps a suggestion. I am sure the Prime Minister, in common with everyone else in the House, realizes that Canada is top heavy with governmental machinery. I wonder, however, if the Prime Minister has ever thought what an opportune time this would be to reduce the representation in the House. As a result of that reduction I should perhaps be one of the first to fall by the wayside, but the constituency of Portage la Prairie would still remain. I should therefore like to suggest that the number of members be reduced by approximately one-third. It is true that the population of Quebec is really the pivotal point of our representation but in the course of events it is altogether possible—some may say it is not probable—that the other provinces will outstrip Quebec in the matter of population.

Mr. FOURNIER: Does my hon. friend think he can reduce the number of members of parliament without amending the British North America Act?

Mr. FORKE: Certainly he does not, he will deal with that point in a few minutes.

Mr. LEADER: I am coming to that point in a moment. In the meantime I may say that I did some figuring while previous

speakers were talking. I find that if we reduce our representation in this chamber by one-third we will save the country $324,000. Surely that amount is well worth saving. Of course I know that such a change will require an amendment of the British North America Act. While doing that I would also reduce the membership of the Senate by one-third. By doing this we would save $256,000, so the total saving to the country would be over half a million dollars.

Mr. MACKENZIE KING: What my hon. friend suggests would amount to this: That the parts of the country that are in most need of representation in this parliament, the districts most sparsely populated, would have still fewer representatives in the House. My hon. friend, I think, instead of effecting an economy would be doing a great injustice to the newer districts of the Dominion.

Mr. LEADER: I realize that that result may follow but those districts would be just as well represented. However, I make these suggestions. I intend to urge them when proposing the motion I shall submit later on in support of certain practical economies. If the government would reduce the representation in the House of Commons and the Senate, and also reduce the number of cabinet ministers, it would be entirely unnecessary for me to introduce the motion in question which I contemplate doing at the first opportunity.

Mr. LANCTOT: If you cut the indemnity by $2,000 you can have the same number of representatives in parliament that there are at present.

Hon. H. H. STEVENS (Vancouver Centre): I quite appreciate the arguments presented by the leader of the Progressive party (Mr. Forke), a few minutes ago, and I find myself in sympathy with some of his views. I do not think, however, that the hon. gentleman is quite correct in arguing for the preservation of the extreme difference that at present exists between the representation of the rural and that of the urban districts. I will give a few illustrations. This discrepancy does not exist at the moment but there are some instances in the country, perhaps, as aggravated as the one in question. From 1911 to 1917 I represented alone nearly 200,000 population, whereas at the same time my hon. friend from Brome (Mr. McMaster) I think, represented about 17,000.

Mr. MACDONALD (Pictou): No, 13,000.

Mr. STEVENS: There, I think, is one of the most extreme comparisons that could be made. Under the new redistribution with a member added to British Columbia's representation—assuming that the coast will benefit to the extent that was suggested to the committee last year—I would still be representing about 70,000 people. Now, there will be other ridings where the unit of population will be probably 20,000. I submit, perhaps there is too wide a discrimination in favour of the rural districts in cases of that kind. It is not, to my mind, a question of bringing the unit to an exact level, but I do say an effort ought to be made, if possible, to make the margin of difference a little narrower than it has developed into during the last twenty years, under the last two revisions. Quite a lecture was read to my hon. friend from West Toronto (Mr. Hocken) because he put up a rather strong case. Naturally he was arguing from one particular viewpoint, and I think he put up a very strong case. It is in my estimation desirable that large cities like Toronto, Montreal, Winnipeg, Vancouver, Hamilton, and such like, should have fair representation. I am quite prepared to admit that, as regards my province it would be unreasonable to expect an exact division or representation by population. For instance, the hon. member for Cariboo (Mr. McBride), who I see is in his seat, represents a riding, which, I think, is at least one thousand miles in length. He has in his riding alone, a territory larger than some of the provinces—larger than several of the provinces. It would be absurd to ask that the unit of representation there should be brought up to the level of that in the cities. The same thing, to a lesser degree, applies to the hon. member for Skeena (Mr. Stork), the hon. member for Yale (Mr. MacKelvie) and perhaps to the members for East Kootenay (Mr. King) and West Kootenay (Mr. Humphrey). We have in British Columbia at least four or five ridings that would extend from 400 to 1,000 miles in length. Those are very extended territories and very difficult to get over. So, it would be absurd I think, to ask that the unit of representation should be the same throughout the province. On the other hand, we shall have, as I say, in the riding which I will represent at least seventy thousand, even under the amended law.

Mr. JACOBS: The hon. member says he "will" represent. Is he not a little premature?

Mr. STEVENS: I do not think so. I am quite satisfied on that point. I invite my hon. friend to come out and view the constituency, if he will.

Mr. JACOBS: I have been out West already with good results to my party, and disastrous results to our opponents.

Mr. STEVENS: It would be a good thing if he would come out on behalf of some unknown and unnamed opposition candidate.

Mr. HOCKEN: It would make your election sure.

Mr. STEVENS: It would make our "calling and election sure"—I think that is the scriptural phrase. I see the necessity of perhaps some, perhaps very considerable, discrimination; but I think care should be taken not to carry that to an extreme, and there is, I think, a tendency at the present time to carry it too far. I really feel some sympathy with the view taken particularly by Montreal and Toronto. They are large cities having very important interests, and I think some of those who represent those cities will represent upwards of 100,000 people even under the new redistribution. That is a very large number. I see some hon. gentlemen shaking their heads, but those figures were given to me. We do not know exactly; the boundaries have not been fixed yet; but under some of the proposals which have been under consideration, this will be the result according to the figures that have been given to me. In order to suit the wishes of my hon. friend (Mr. Jacobs), I will say that whoever does represent my riding in the next parliament or after this redistribution, will represent about 70,000 people, a very large quota. Therefore, while we may admit the old principle which has been in vogue for so many years, that rural ridings shall have some advantage—and I am inclined to agree with that view—nevertheless, I think care should be taken that the discrimination between the two is not too wide; that at least the larger centres should have fair and reasonable treatment in regard to representation.

Mr. HAMMELL: Could the hon. gentleman tell us what percentage of the votes were polled in those great cities, say at the last election?

Mr. STEVENS: I could not say. That is another question which I do not think affects this at all.

Mr. HAMMELL: It shows the interest these people take.

Mr. STEVENS: That is true, but I can recollect many rural districts where the number of votes polled has been comparatively small. That is a question of the sense of responsibility on the part of the citizens. I admit very candidly that, in many ridings, both rural and urban, too little attention is paid to the privileges of citizenship, and that not a very large vote is polled. All I can say for districts that I know is that very large votes are polled in these large, populous centres.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): Perhaps what I am going to say will not bear much on redistribution; but my remarks are elicited largely by what my hon. friend (Mr. Leader) said a moment ago about reduction of representation, and particularly the suggestion that the ministers did not work.

Mr. LEADER: I would like to put the minister right there. I did not suggest that he did not work.

Mr. GRAHAM: Well, if ten can do the work of seventeen, there must be seven that are not working hard. I drew the inference.

Mr. LEADER: The minister will, perhaps, know better than I.

Mr. GRAHAM: I think I do. I admit the impeachment. A member can best represent his constituency the more frequently he can come into contact with his constituents and know their views. The hon. member for West Toronto (Mr. Hocken), if he had room, can have every one of his constituents reach his central office in thirty minutes from his home. The hon. member can meet them every day. The representative for one of those larger constituencies has to bid his family good-bye, and the elector would also have to bid his family good-bye and to travel many miles to meet his representative.

Mr. HOCKEN: The minister would not have me interview 70,000 people every day?

Mr. GRAHAM: I would be more sorry for the hon. member than I would for the people. There is that essential difference, that a man in a city constituency can confer with his constituents very frequently on short notice, know their views and keep in touch with them, while the man in a rural constituency has a hard task to keep in touch with his constituents. Consequently, the man in the city can represent three times as many as the man in the rural constituency, and he can be in touch with their views all the time.

Mr. HOCKEN: The minister is not going to increase the unit, is he?

Mr. GRAHAM: One can never tell. I am afraid my hon. friend who referred to the ministers has not altogether grasped the situa-

tion. That section of the press, whose friends are now out, is very anxious that the number of ministers should be reduced. They compare the number of cabinet ministers in Canada with the number in the United States.

Mr. LEADER: I brought that out in the remarks which I made on this question last year, and I feel quite flattered that eminent journalists like Mr. Gratton O'Leary have been publishing certain figures which I gave last year.

Mr. GRAHAM: I am glad my hon. friend is flattered, but I want to put this viewpoint before the House,—Mr. O'Leary seems not to have published this—that no cabinet minister in the United States ever has to appear in congress; the cabinet ministers of Canada spend half their time in the House during a session of parliament. If you allow the members of the Canadian government to remain in their offices for twelve months in the year, not to have to appear on the floor of the House, not to have to prepare speeches, not to have to be responsible to the people, you can cut the number of cabinet ministers in Canada in two quite easily and they will not have to work half as hard then as they have to work now. There is another point. The number of cabinet ministers in Canada has been compared with the number in Great Britain. The practice in Great Britain is altogether different from the practice in Canada. In Great Britain you will seldom see, except on special occasions, more than one cabinet minister in the House, and that will be when something under his particular charge is being discussed. The cabinet minister in Great Britain is represented in the House by an under-secretary who takes charge of all details of legislation. Furthermore, if you desire to interview a cabinet minister in Great Britain you are bound to make an appointment with him a long way ahead, whereas the cabinet ministers of the Canadian government —and rightly so—are only too glad to meet members of parliament at any time, day or night, while the House is in session.

What I am trying to point out is that the comparison is not a fair one as regards the number of cabinet ministers in Canada, because the duties of the cabinet ministers in this country are far more arduous, so far as legislation is concerned, than those of the ministers of the Crown in Great Britain; while from the standpoint of general work those duties are far greater than the duties of members of the cabinet in the United States, comparing the sessions of our parliament with the sessions of congress.

Mr. J. W. KENNEDY (Glengarry and Stormont): The question of representation in this parliament is one of great importance and interest to the Canadian people, and of course it is well that the matter should be settled along certain definite lines and in accordance with certain definite principles. I agree with the principle that as far as possible county boundaries should be maintained, for the reasons as given already by the Prime Minister (Mr. Mackenzie King). I might refer also to the fourth principle, that of maintaining as far as possible, as between rural constituencies, a uniformity of population. Where there is a conflict between these two principles, the principle of maintaining county boundaries and that of maintaining uniformity in population, the question arises as to which of them should be sacrificed, and whether or not it is to the advantage of the people as well as of the members that county boundaries should be maintained even though there may be a great disparity in population. The question often arises, if county boundaries are to be maintained, where a large town or a small-sized city happens to be in one county and a neighbouring county happens to be practically all a rural population. I am rather of the opinion that the people are more concerned in maintaining their county boundaries than they are in having population nearly equal as between county constituencies. So that in my opinion the fourth principle should be sacrificed to the first when there is a conflict between the two.

I am interested in the discussion that has arisen on the second principle, namely, that the unit for urban representation should be larger than the unit for rural representation. That has always been recognized; it has been recognized by all governments and all parties in this country ever since confederation. In the last redistribution, that of ten years ago, under the government of Sir Robert Borden, the unit of representation in the city of Toronto was 50,000, when the unit for the whole Dominion was in the neighbourhood of some 30,000.

Mr. HOCKEN: It is getting worse.

Mr. KENNEDY (Glengarry and Stormont): That was a disparity that was recognized at that time as a proper difference as between rural and urban population. If today the unit of representation is to be 36,000 for the whole country, the unit of representation for the city of Toronto in the same proportion would be about 60,000 which would not entitle that city to more than nine

members. There is another question that enters into a consideration of this matter, as referred to by my hon. friend from Muskoka (Mr. Hammell), and that is the interest which the people in a constituency take in public affairs. I remember that not long ago the question was debated in this country whether or not electors should be disfranchised when they neglected to use their franchise. If that is to be taken into consideration at all it will be instructive to see what interest the people of Toronto have shown in public affairs. I have just jotted down the number of voters who voted for candidates in the last general election. I do not know what the population of Centre Toronto is but I believe it is considerable, and of the large number of electors there only 11,161 took enough interest in the election to cast their vote. I represent a rather small rural constituency and in that riding 16,224 persons voted in the election. In another constituency in Toronto, East Toronto, just 15,002 electors voted at the general election in 1921. I do not know how many voters were on the list because I have not the figures with me; I just jotted down these facts a few moments ago. In North Toronto the people showed some more interest in the election, this being due perhaps to the popularity of one of the candidates running in that constituency. At any rate, 20,985 persons voted in that constituency. But the very popular representative from South Toronto (Mr. Sheard), and all the candidates running in that constituency, could not induce more than 7,566 electors to vote; while in West Toronto 11,764 persons voted. And in the beautiful city of Brantford, represented by my genial friend across the way (Mr. Raymond), 13,049 electors voted in that election. These figures I think give us an indication of the interest which the people in these constituencies take in public questions. I have taken at random a few rural constituencies. I do not know whether they are large or small as compared with other rural constituencies, but they will illustrate my point. I have already given the constituency of Glengarry and Stormont. In the constituency of Carleton 13,473 electors voted; in Dundas, another small rural constituency, 11,225 voted; in Durham, 12,516; in North Grey, 14,996 and in Halton, a small constituency, 12,207 persons cast their votes. So that in all these rural constituencies, as compared with an equal number of urban constituencies which I have picked at random, the vote in the country was larger than the vote in the urban centres, with the exception of North Toronto; and although the disparity in population may be very great the disparity in representation is not so great after all. That is, I think, an added reason why in the coming redistribution the unit of representation for the rural constituencies should be very much smaller than that for the urban constituencies.

Hon. J. B. M. BAXTER (St. John City and Counties of St. John and Albert): Mr. Speaker, personally, I do not want to enter into any very detailed consideration of our cities or towns, but I should like to express my general accord with practically everything that has fallen from the last speaker (Mr. Kennedy). I hesitate, in discussing this subject, to touch upon any province other than my own. I believe if there is one matter more than another which we should endeavour to keep our hands off it is the very delicate question of representation, and that so far as it is possible to do it each province should rather settle that for itself. I do not mean through the agency of the local legislatures, of course, but through their representatives in this House. The problem of Toronto or of Montreal is a purely local one having relation to the population and representation of the rest of Ontario or Quebec. The conditions there cannot be thoroughly understood by a man in the Maritime provinces, and it would be presumptuous for me to discuss representation in British Columbia or in the three western provinces. The people there know the local conditions far better.

The conditions in my own province, of which I will just say a word, are these: A comparatively stable population, changing not very much even in the cities, though changing there more than in the rural districts, with the cities of course constituting compact constituencies. All you have to do is to ask any candidate whether he would rather run for a city or a rural constituency, and the answer unhesitatingly will be that he will run for the city constituency, because it saves him a tremendous amount of work and is much easier to keep in touch with. Therefore, so far as my province is concerned, I would favour, to whatever extent may be necessary, a larger unit for the constituencies that include cities, and a smaller unit for the purely rural districts.

But I would not stop quite there. I admit that if you apply pure theory to this matter, one man is just as good as another, and should have just as much to say as another, and in order to give him an equal opportunity, you ought to make everything mathematically equal. But you cannot do that in human affairs. That is the practical answer; and

in our form of government sentiment, to my mind, plays a far greater part than mathematics. There are one or two instances in my own province, small though it may be, where the people have grown around a certain centre and have their well-defined boundaries. There is, for example, the shire town towards which all eyes look; it is the political home of both parties. If, except under the greatest necessity in the world, you disrupt that and try to force those people into new relations with other parts of the province, you are going to cause far more dissatisfaction than you will confer benefit. You do not, at present, perhaps, have mathematical equality, but you do have a rough and ready measure of justice for the people who are accustomed to certain conditions, which conditions it is not worth while to disturb. Therefore in a province like my own, where there is no change in the total number of representation, I would say: Let conditions remain as they are. They have been fair enough in the past. My province has never had to protest against anything in the nature of a gerrymander, and there is no reason for unduly disturbing conditions. Those are the principles that, so far as they may be applicable, I should like to see applied throughout Canada—simply a spirit of fair play and no more unncessary disturbance than you are obliged to make to fit new conditions.

Nor would I draw too strong an inference from the number of people who have voted at one particular election. Another element enters there,—the very human element. It is partly the issue, and it is also partly the candidate. Now, I do not think you can build up a very strong argument because in the city of Toronto a large number of people did not think it worth while to turn out to secure what was no doubt regarded as an inevitable result in that city. But when you get into other constituencies, whether rural or urban, in any of the provinces, you will find that just in proportion as you make the contest a doubtful one you will bring out a much larger voting strength; and a very great deal depends also upon the personalities of the candidates. Those are factors which are not always equal. Perhaps even deductions drawn from a number of elections would not have much value. All this can be dealt with, not under a basis of representation, but by a consideration of the suggestions put forward as to whether it is not time to treat the franchise as no longer a privilege but an absolute and imminent duty, and to regard a man as failing in the duties of citizenship who does not exercise his franchise. Even if he does not care for any of the candidates, it is at least his duty to make a choice of the least objectionable of two or more evils—a duty which ought to be discharged by every voter.

But for the present all I would say is: Let us approach this matter of representation in a broad, fair, non-political spirit, not with the idea of jockeying for party advantage, but to give the people the fairest and best opportunity of getting representation if they can, and realizing that those candidates who have to travel hundreds of miles in order to seek the franchises of the electors, or those electors who have to travel scores of miles to record their votes, are entitled to some more consideration than those who have only to spend ten or fifteen minutes for the purpose.

Mr. J. S. WOODSWORTH (Centre Winnipeg): A good deal has been said as to the disadvantages of rural residents, and as to the necessity of giving them a larger representation. Might I point out that these disadvantages are not quite so real as has been suggested? In a good many countries there are several towns and occasionally small cities, but the greater number of the people are rural. That sometimes gives the rural people a decided advantage, because some candidate can be proposed who is very largely acceptable to them, and on the other hand there is no one living in the little town who is sufficiently strong to carry the whole majority of the people throughout the riding. It seems to me that there can be no real basis other than that of representation by population. But I would agree with the member for Vancouver Centre (Mr. Stevens) when he suggests that in certain peculiar constituencies where the geographical situation is such as to make the population very scattered there may need to be certain modifications. But certainly the idea ought to be as near as we can approximate to it that one Canadian's vote is just as good as another's, and should be as fully represented on the floor of this House.

There is another point, moreover, that I should like to mention. The Prime Minister said that as far as possible it seemed wise to maintain the county as the unit. We in the West do not know a great deal about counties, but I suggest that if this principle is to be applied to well recognized units such as eastern counties, it ought decidedly to be applied in the case of cities. That has not been the case in the past. I think now of one of our western districts where three constituencies centre into one city. In each the representative is a rural member, and that quite large city has been effectively deprived of any representation in this House.

It would seem as if, to carry out this principle of fairness, the city ought as far as possible to be regarded as a unit.

Mr. CARROLL: If large enough.

Mr. WOODSWORTH: If large enough, yes.—I say, as far as possible. In the particular case I have in mind it is large enough, yet it has been divided up as I have said with these three constituencies centering into it. I understand that a proposal was made in the committee appointed last year that, in regard to another city that there should be a division in that same way—uniting certain portions of the city with a country district stretching fifty or sixty miles away. It would seem to me that any such proposal as that is pre-eminently unfair, as it gives no chance whatever to the people of the city to express themselves.

I would further like to make a plea that at this time we should reconsider a question which was discussed last year on the floor of this House, the question of proportional representation. Mention has been made of the fact that there was a very small vote in the city of Toronto and also in some constituencies in the city of Montreal. Surely the reason for that lack of interest is the lack of anything like proportional representation. When people are confident that one side only stands a chance of winning, they can hardly be induced to go to the polls. If there were grouped constituencies where the minorities would have some chance of electing a man to represent their special viewpoint, a great deal more interest would be taken in the election and the various cities would be represented on the floor of this House much more nearly in accordance with the real opinion of their people. Whether or not the system of proportional representation is generally adopted at this time, I would urge that it be given a fair trial in one or two cities. In the city of Winnipeg we have for some years been accustomed to proportional representation in municipal and provincial affairs, and I think I am correct in stating that the large majority of the people of that city are well satisfied with the proportional representation system. We are accustomed to it; we have found that it works well, and we can see no reason why it should not be tried out in federal affairs. I would urge that—

Mr. SPEAKER: Order. I would remind the hon member that the bill under consideration is for the representation in the House of Commons, not for the mode of electing. I understand, of course, that the two questions might easily be confused. but the hon. member should speak on the bill, not on the mode of election.

Mr. WOODSWORTH: Well, Mr. Speaker, I was not aware that I was getting away from the purpose of the bill. I was discussing the outline given to us by the Prime Minister of the fundamental principles which should underlie the method of distribution. However, I will simply say this: I hope that during the discussion in connection with the mode of election we may not overlook any of these principles which seek to give us a fairer representation under the conditions that prevail to-day in our larger urban centres.

Mr. J. H. HARRIS (East York): Mr. Speaker, one point that the right hon. Prime Minister (Mr. Mackenzie King) brought out is deserving of consideration before the House deals with this question. He said that it was easier at the present time to focus public opinion in the urban ridings than it was in the rural ridings. In my opinion that is not the case. The hon. member for Glengarry and Stormont (Mr. Kennedy) gave some figures in regard to the vote in the city ridings compared with that in the country ridings, and in my humble opinion he proved conclusively that it was not easier to focus public opinion in the city riding than in the urban districts. All these arguments which have been handed down from generation to generation with regard to representation in this House and as recited by the right hon. Prime Minister, are, we must admit, beginning to lose their weight. We are living in a new day now. When the Prime Minister cites the principles that were in vogue as long ago as thirty and forty years, I would point out to him that at that time the means of communication in this country are not what they are to-day.

Mr. MACKENZIE KING: I did not go back past 1870. It was the member for West Toronto (Mr. Hocken) who went back to 1830.

Mr. HARRIS: Thirty or forty years, I said, and the right hon. gentleman went back to 1870. Well, I am a fair mathematician at that: we will say he went back fifty years, and see how that will suit him. The means of communication to-day are advancing very rapidly, and in my opinion it is time we got a little closer to the principle of representation by population. You will find, if you look through the report of the Chief Electoral Officer, that in the constituency of North York, for instance, with its 14,418

voters, 12,273 polled their vote at the last election. In the riding of East York, which is very largely a city riding, with its 48,783 voters, 18,536 polled their vote. So that explodes entirely the argument made by the Prime Minister when he said it was much easier to focus public opinion in the urban ridings. I repeat, Mr. Speaker, that as time goes on we should get closer to representation by population with a view to satisfying the people of Canada generally.

Mr. M. N. CAMPBELL (Mackenzie): Mr. Speaker, I think the well defined principles enunciated by the Prime Minister (Mr. Mackenzie King) for the guidance of the committee are eminently fair, but it seems to me that some other principles that are also vital may have been overlooked and possibly will not be considered by the committee. One of these is that existing boundaries should be regarded as closely as possible, and another is that cognizance should be taken of the railway facilities. There are particular cases already, I understand, where it has been suggested to cut a small country town completely off from a large part of the country that it serves. I have one particular case in mind of a plan drawn up where the country on one side of this town is cut off right at the boundary of the town. I think that is not altogether fair. With regard to adhering to existing boundaries, I think that is very, very important. Take, for instance, a constituency that has about sixteen municipalities. I have one in mind at the present moment. We will say that there are four municipalities east and west, and four north and south, sixteen in all. Under the new plan it will still have sixteen municipalities, but two rows are taken off the north and added on the west, which would mean that the new constituency is half the width it was before and double the length. Now it is impossible to have that constituency properly served in such a case, and it seems to me that these two factors should be taken into consideration by the committee.

Motion agreed to and bill read the second time.

Mr. MACKENZIE KING: I beg to move:

That Bill No. 2 intituled "An Act to readjust the representation in the House of Commons" be referred to a special committee, the names of the members of which to be given at a later date, with instructions to prepare schedules to contain and describe the several electoral divisions entitled to return members to this House, and to report the same.

I am sorry not to be able to give the names of the committee to-night, but I would point out that on two previous occasions a motion was presented in this form.

Mr. SPEAKER: Of course, the motion as it is drafted would not be accepted in the British House of Commons, because no question can be referred to a committee unless the committee is appointed and the members of the committee named. But as the right hon. the Prime Minister states we have two Canadian precedents. I have one just now which is fresh in my mind. On the 3rd of May, 1921, the right hon. the Prime Minister of the day referred Bill No. 2, "An act to amend and consolidate the law relating to Copyright" to a special committee to be subsequently named, after it had been given its second reading. The motion passed and the next day, the 4th of May, the special committee to consider the bill was appointed, consisting of several members. I presume the right hon. gentleman intends to follow that precedent, and under those circumstances I would consider that with the unanimous consent of the House the motion is in order, although it would not be in order in the Mother of Parliaments.

Mr. MACKENZIE KING: If it were not for the circumstance that the Whips and some of the members are absent to-night, I would have been able to arrange the committee. It is just a misfortune that they are absent to-night.

Mr. SPEAKER: It is a case where we make an exception to the British practice in favour of the Canadian precedent.

Sir HENRY DRAYTON: Just to clear up one point, the motion as read states that the names are to be given at a subsequent date. I assume they will be given in the ordinary way, that is by a motion in the House appointing members to that committee.

Mr. MACKENZIE KING: Yes, certainly

Mr. SPEAKER: That is in accordance with the precedent I have just cited.

Motion agreed to.

SUPPLY

PUBLIC WORKS

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

Public Works—Ottawa, addition to Dominion Archiv. Building, $275,000.

Hon. J. H. KING (Kootenay, Minister of Public Works): This vote is to carry on and complete the contract let for the building of an addition to the Dominion

Archives building. There was a vote of $150,000 last year, and of the $275,000 vote this year, $75,000 is a revote. The contract is let to P. Lyall & Sons, being the lowest tenderers, for an amount of $294,797.

Mr. STEVENS: What amount has already been expended, and what is the necessity for this building? What is it to provide for?

Mr. KING (Kootenay): It is expected that the sum of $75,000 will be expended on foundations, cutting stone and erecting steel work in the coming year. As to the necessity for this addition, I think it is generally conceded that very valuable documents are in the care of the Dominion Archives, and it has been found necessary to enlarge the quarters in order that these documents may be carefully preserved. The advantage of a place of record of this character is recognized not only by the department at Ottawa but by other institutions throughout Canada. There are many people who use the Archives in studying the history of this country.

10 p.m.

Mr. STEVENS: How many tenders were received?

Mr. KING (Kootenay): There were nine in all.

Mr. MILLAR: Where is this building? Is this part of a general plan to consolidate the buildings?

Mr. KING (Kootenay): The Archives building is on Sussex street, and this amount is to provide for the building of an additional wing to give further room for housing the archives.

Mr. KENNEDY (Glengarry & Stormont): The total amount the minister is asking this year and last is $425,000?

Mr. KING (Kootenay): Yes. Outside of the contract there are fittings, steel cabinets, supervision and contingencies, amounting to $55,203, making a total expenditure of $350,000.

Mr. STEVENS: Does the minister expect this will complete the building and furnish it?

Mr. KING (Kootenay): Yes, that is the intention.

Mr. STEVENS: Do you expect the building will be completed this year?

Mr. KING (Kootenay): Yes.

Item agreed to.

Public Buildings—London, England, Canadian Office, $1,300,000.

Mr. KING (Kootenay): When this item was under discussion a few days ago my hon. friend (Sir Henry Drayton) asked certain questions to which I am pleased to give the answers this evening. The ground area is 9,254 square feet, and the total floor area 25,000 square feet. Taxes for the year 1921 amounted to £3,424-19-8; in 1922, £3,455-10; 1923, £3,074. Those are taxes paid by the club. There will be Crown exemptions for 1921 of £1,149, for 1922 of £1,207, and for 1923 of £1,032. The Crown taxes the Dominion will probably pay will be—1921, £2,275-19-8; 1922, £2,248-10; 1923, £2,042.

The amount of insurance carried by the club of £71,245, at the rate of 1s. 6d. equals £53-11 premium. The maintenance, as estimated by the department, for a building of this character would be £1,600. That would include caretakers, char service, firemen, engineers, heating, water, light, supplies and repairs. The annual interest charge on a 4 per cent basis would be £12,000, and the annual sinking fund £243, making a total of £12,243.

Mr. STEVENS: Why the 4 per cent?

Mr. KING (Kootenay): The 4 per cent is the percentage we will figure on. We are so advised by the High Commissioner.

Mr. STEVENS: Is the government now borrowing money at the rate of 4 per cent, is that all money is costing them?

Mr. KING (Kootenay): I think my hon. friend the other night asked to have these figures produced, and we are advised by the High Commissioner that it should be figured at the rate of 4 per cent.

Sir HENRY DRAYTON: Why?

Mr. KING (Kootenay): Because the money can be had for that.

Mr. STEVENS: On that point, the minister does not mean to say that the money supplied for the purchase of this building will only cost this country 4 per cent. We are paying 5 or 5½ per cent.

Mr. KING (Kootenay): During negotiations last year—and this indicates probably what the percentage will be—the bankers in the Old Country offered for the Dominion bonds a rate of 4 per cent and the High Commissioner in replying to our questions has figured this on a basis of 4 per cent.

Sir HENRY DRAYTON: We will take it at 4 per cent. What is the amount again?

Mr. KING (Kootenay): The total, that is the annual charges, for interest and sinking fund is £12,243. The ground rental is an additional £2,855, making a total annual charge of £15,098. If we add maintenance, repairs

and insurance together we will have a total annual charge of £18,940. The rentals of the premises the government are occupying today amount to £10,889. Deducting that annual charge, the excess cost of occupying the new building would be £8,051, or, at an exchange rate of $4.50, a total of $36,229. We are advised that by consolidating the various offices in London there will be a very considerable saving in the number of the staff and again in efficiency. At present there are four premises being occupied.

Mr. THURSTON: Would the minister give us the number of staff at the present time?

Mr. KING (Kootenay): I have not that information here. However, there are four premises being occupied requiring in each case, I imagine, caretakers, charwomen, firemen, a separate supply of coal, and all the other costs there are in maintaining separate apartments. As a result of the consolidation there will be a reduction undoubtedly in the matter of door keepers, caretakers, charwomen, firemen and engineers, and probably, also under the head of contingencies. The High Commissioner himself states there will be a saving in number of staff, and also that the work will be carried on more efficiently.

Sir HENRY DRAYTON: Perhaps the minister will give us the amount of saving the Commissioner is going to make each year, also what the staff numbers at the present time and what it will be reduced to?

Mr. KING (Kootenay): We have not those details in our office. I do not imagine the Commissioner himself knows what the consolidation will actually accomplish. That can only be told when it has taken place.

Mr. HARRIS: How much of the maintenance cost is sinking fund, and at what rate is the sinking fund figured?

Mr. KING (Kootenay): I thought I made that plain. The sinking fund will be £243 per annum at 4 per cent.

Mr. JACOBS: What departments will be housed in this new building?

Mr. KING (Kootenay): The High Commissioner's office, the Immigration Department, the Trade Commissioner's office, and Pensions.

Mr. FORKE: According to those figures, it will cost about $40,000 more to operate this new building than to operate the old one.

Mr. KING (Kootenay): Roughly. The figures carried out in dollars and cents are $36,229.

Mr. HARRIS: What is the sinking fund, £243, for, in connection with this large investment?

Mr. KING (Kootenay): It is supposed to wipe out the purchase price of the building at the end of the lease—one hundred years.

Mr. MEIGHEN: The minister may be out of power then. The minister has given us the floor space of the building. Will he tell us the floor space actually occupied by those various branches, including the High Commissioner's own staff, at the present time, and let us see if it does not aggregate far more than the floor space in the new building?

Mr. KING (Kootenay): I cannot say at present.

Mr. MEIGHEN: I think there will not be room for any more than the High Commissioner's own staff in the building according to the space so occupied now.

Mr. KING (Kootenay): We are not so advised by the High Commissioner.

Mr. MEIGHEN: We would like to know.

Mr. KING (Kootenay): The plans do not show that.

Mr. MEIGHEN: What advice has the minister from the High Commissioner as to the space occupied by these branches now as compared with the space in this building.

Mr. KING (Kootenay): I have none as regards that.

Mr. MEIGHEN: Then what good is the High Commissioner's advice?

Mr. KING (Kootenay): The High Commissioner has sent plans showing the alterations in the new building; he has sent specifications for those alterations, and he has stated that he is going to place certain departments in the building. That is the information the department has.

Mr. MEIGHEN: We want to know how he is going to do that. My information is that he cannot get them in unless he can contract them very much, and I do not think that has been his practice. My information is that he has in this building just about as much space as his own staff occupies now. So this will mean that we shall be spending

about $36,000 more than we would be if all those were not housed in the building. As a matter of fact, they will not all be housed in the building—I am safe in making that prediction now from the information I have —and, as a consequence, this is going to mean the expenditure of a great deal more than $36,000.

Mr. KING (Kootenay): Oh, no.

Mr. MEIGHEN: That is based on a 4 per cent interest charge. How in the world the High Commissioner justifies that, I do not know. The minister ought to advise Sir Henry Thornton and also the Minister of Finance about this source of money. If we can get money at 4 per cent there, I cannot comprehend, for the life of me, a number of the loans that we are making now. Why is this based on 4 per cent? There is no justification for that. The minister is not going to satisfy the committee by saying simply: "the High Commissioner told me this; he did not tell me how he was going to get all these branches in; he just says: 'I am going to do this.'" That leaves the committee in rather a blank position.

Mr. MACKENZIE KING: Perhaps I might say to my right hon. friend that I had the privilege of going through this building with the High Commissioner and of having him point out just wherein he thought it was going to be possible to accommodate the different staffs in London at the present time. It is true that, with the numbers in the offices, as they stand at present, of the Trade Commissioner, Soldiers' Pensions, Immigration, and also of the High Commissioner, and the Union Club building remaining as it is at the moment, there would not be accommodation for all. It is, however, anticipated that once it is possible to assemble under one roof the several staffs, a material reduction can be effected in the numbers of the staffs. Some of these staffs have been perhaps, unduly large during the period of the war. The High Commissioner says that he can exercise no real authority or supervision over them, scattered as they are through different parts of the city. He feels that if the different Canadian offices in London were brought into one building, it should be possible, through the economies to be effected, to reduce considerably the number of officials overseas. In addition to that it is contemplated, under the amount the government is asking for, to enlarge this building somewhat. I do not know whether an additional storey is to be added, but some material addition is to be made to the building as it stands, making it more suitable for the purposes it is intended to serve.

Mr. THURSTON: Is it possible to enlarge the building without purchasing too valuable property on the other side of it?

Mr. MACKENZIE KING: It is possible. One way in which it can be enlarged—and I understand the High Commissioner has in view alterations for that purpose—is to add another storey in part or addition in the rear. That whole matter has been carefully considered by the High Commissioner.

Mr. CLARK: Are these additions included in this vote?

Mr. MACKENZIE KING: Yes.

Mr. CLARK: What are they?

Mr. MACKENZIE KING: Provision is made for alterations to the building necessary to make it suitable for the purposes it is intended to serve. These alterations have been carefully arranged for by the High Commissioner in consultation with architects on the other side.

Mr. CLARK: Would the minister give us particulars of those additions and alterations?

Mr. MACKENZIE KING: My hon. friend will hardly expect me to tell him where a particular addition is to be made. If I mention to him that the High Commissioner is a gentleman of wide business experience who has had, perhaps, more to do with business and commercial establishments than any dozen or more representative business men of our country, I think the House will feel it may be justified in taking his judgment in a matter of this kind.

Mr. CLARK: I appreciate that he may be a man of wide business experience; but at the same time I do not think he should object to furnishing the Prime Minister, his government and this House with particulars of the additions and alterations that are proposed, that apparently he is asking money for this year, and that are included in this particular appropriation.

Mr. MACKENZIE KING: I do not think he is objecting at all, but I think he assumes that the government in a matter of this kind will be prepared to trust his judgment and sagacity.

Mr. CLARK: We are not.

Mr. MACKENZIE KING: As to little additions, where a room may be added or changed or what may be altered, I do not

think it would be worth the time of the country for the government to have exchanged too much correspondence in regard to that kind of thing. We should either trust a High Commissioner when we have him, or dispense with him altogether. If the hon. member really wants information that is important, I think he will be able to get it; but I do not think the question of what particular form of alterations may be made at the present time to a building is one that the House is primarily interested in; I would think it was more interested in knowing that the accommodation was adequate.

Mr. CLARK: What proportion of this appropriation is for alterations? I was under the impression that probably a large proportion of this appropriation was for additions and alterations.

Mr. MACKENZIE KING: I am told that £75,000 is what is asked for alterations.

Mr. CLARK: A very considerable amount, it seems.

Mr. MACKENZIE KING: Yes.

Mr. CLARK: We ought to know what it is for.

Mr. MACKENZIE KING: The site of this particular building is the finest site, not only in London, but in the world. To have that building put into shape for offices may require for purposes of alteration a good bit in the way of expense. Perhaps my hon. friend would allow me to complete what I have to say about the building, and I shall be glad to answer questions later.

For at least twenty-five years the government of Canada has been trying to secure in London suitable accommodation for the offices of the High Commissioner and such other officials as this country has in the capital of the Old World. Lord Strathcona, while High Commissioner, endeavoured unsuccessfully to obtain a suitable building, as also did Sir George Perley when he was overseas in a similar capacity. Since he has been High Commissioner, the Honourable Mr. Larkin has been endeavouring to find adequate and creditable accommodation, and although at first he also was unsuccessful he has been extremely fortunate in being able to acquire a building occupying one of the finest positions in the world. The building is situated on the corner of Trafalgar Square and Cockspur Street; and notwithstanding an incredulous smile which I observe opposite, I repeat that it is the finest site that could be obtained in the world.

Sir HENRY DRAYTON: I thought that the finest site in the world was occupied by the Scribe hotel.

Mr. MACKENZIE KING: The finest site in Paris perhaps; but London is ahead of Paris. I repeat, it is something of which we may be proud that Canada has been fortunate enough to secure what may well be regarded as the finest site in London, and, being in London, the finest in the world, for its offices in England. In regard to the necessity for these offices, it is all a matter of how one wishes to view the status of the Dominion. Australia has exceptionally fine buildings in London; South Africa a couple of years ago acquired on the other side of Trafalgar Square a building known as Morley's hotel which it owns to-day. Canada, on the other hand, has been in an obscure position notwithstanding that she is the leading dominion; and, so far as she has been known to the people in London by any distinctive building, she does not appear to have been on the map, so to speak, until the change of position of which I have been speaking. I might mention that there are also in London at the present time offices of the provinces of Canada. The province of Nova Scotia has finer offices for its agent than has the Dominion for its High Commissioner; and British Columbia has a building which is infinitely superior to ours. Indeed, when we sought last year to purchase their building from the government of British Columbia for the Dominion of Canada we could not acquire it. A stranger visiting London to-day and knowing little about Canadian affairs might think, from the accommodation enjoyed by the respective governments, that Canada was a part of British Columbia instead of British Columbia being a province of the Dominion. When we tried to acquire from that province the building which it owns in London we discovered that the provincial government had found it so good an investment, notwithstanding that it was a very large building, that the province refused to sell it.

A feature that should be taken into consideration in connection with the present purchase is the importance of the site, which of course is a most important element in the selection of a building. And there is the further fact that this particular building happens to be on ground which is the property of the Crown in Great Britain, and that may prove an all important consideration should it come to a question of renewing the lease at some future time. So far as the Dominion government is concerned, I hope it may expect to receive from the British gov-

ernment at all times fair treatment in the matter of the lease which it will hold, and the opportunity to acquire a property such as the one that we have secured might never come again. That was one reason why the High Commissioner asked the government at the time whether he would not be justified in taking an option immediately on the premises of the Union Club. It was a mere chance that the Union Club was prepared at that moment to give up the site and move to another part of the city. Had it been generally known that the site was available it is extremely doubtful whether the Dominion government would have been able to acquire it; but the matter having been negotiated quietly it was possible for us to secure this highly desirable accommodation.

Although it does not bear directly upon the matter under consideration, I might mention at this time that we have no official residence for the Canadian High Commissioner in London. It is my opinion that the country ought to own its own residence in London for its representative. It did originally own a residence, at the time, I think, that Sir Charles Tupper was High Commissioner. That residence was subsequently disposed of when Lord Strathcona provided one on his own account. However Mr. Larkin, the present High Commissioner, has purchased a very valuable residence in London and is using it in the service of the country in a very generous way. He happens to be well-to-do and is prepared thus to use his money in the service of the country. I think Canada is under a great obligation to him by reason of his willingness to further her interests in this way apart altogether from the important duties he discharges in connection with his office as High Commissioner. That is an additional reason, in my opinion, why at this time, when Mr. Larkin is High Commissioner, we should do all in our power to assist him in carrying out a project which is obviously in the national interest, and in which he is taking a very special interest on behalf of Canada.

Mr. FORKE: Who began the negotiations for the building? Did the Union Club offer it for sale?

Mr. MACKENZIE KING: No. Mr. Larkin ascertained that there was a possibility of the Union Club moving to some other part of the city; it was while he had one of two or three other buildings in view that he learned this fact.

Mr. FORKE: Personally I think it is rather unfortunate that this should have occurred at this particular time when there is so great a cry for economy.

Mr. MACKENZIE KING: I do not share that view. On the contrary, I think it is rather fortunate that the transaction did take place this year, because, among other reasons, this happens to be the year of the British Empire Exhibition, and every Canadian who goes to London this summer will feel a sense of pride as well as of relief in the fact that Canada has in the heart of London a building of which he may be proud. This building is conveniently situated in relation to important railway, banking, commercial and business institutions, and it can be reached from any part of London by underground railway. In short, a better site could not possibly be obtained. I might add—a matter that came to my attention while I was in England—that the building which South Africa purchased only a few years ago had a lease of ten years to run; the Corporation of the City of London have decided to widen the space at the entrance to the Strand and have arranged for the expropriation of the necessary ground, which means that the Morley's hotel building is to be torn down, and the width of the Strand as it approaches Trafalgar Square will be considerably greater, than it now is. The Canadian building will then face that splendid approach. I mention that because it is a factor, once this alteration is made, it will vastly enhance the value of the building which we have secured. I submit that the building is a good one, the value is good, the site is good, and the time is opportune; so that altogether it is very much in the interests of the Canadian people that we should acquire this property without delay.

Mr. STEVENS: Mr. Chairman, my right hon. friend a year ago observed on this subject of the acquisition of a building in London:

> We felt that it was desirable to acquire a building in which all these offices could be brought together and which would be large enough also to accommodate the representatives of the different provinces.

That was a rather reasonable aspiration, and was expressed in reply to a question put by the hon. member for Kingston (Mr. Ross). Now, if I gathered correctly what the hon. Minister of Public Works said, it is a question whether all these offices can be accommodated in the new building.

Mr. MACKENZIE KING: When I made the remark which my hon. friend has just quoted I was referring to a building known as the Cox Bank building, which is much larger than the Union Club building. It

would have accommodated the offices of the different provinces as well as those of the Dominion, but it would have cost very much more. For Dominion purposes the present self-contained building is perhaps better.

Mr. STEVENS: But my point is this. From the statement made by the Minister of Public Works it is a question whether this building will accommodate the various departments referred to—Trade and Commerce, Immigration, High Commissioner's and the Soldiers' Overseas Work. Apparently the minister is not sure whether this expenditure of $1,300,000 will give us a building that will accommodate the offices of the federal government.

Mr. KING (Kootenay): I have not expressed any doubt.

Mr. STEVENS: Can the minister tell us that it will?

Mr. KING (Kootenay): I am so advised by the High Commissioner.

Mr. STEVENS: The minister seemed doubtful a little while ago.

Mr. KING (Kootenay): No.

Mr. STEVENS: He could not give my right hon. leader information as to the floor space now occupied. The fact remains that the minister is not in possession of the information. He says Mr. Larkin thinks the building is quite likely to accommodate our present federal offices. But an investment of $1,300,000 should not be made on such—shall I say?—precarious information. Another point we are going to assume an annual obligation—the minister will correct me if I am wrong—of $36,000 more than we carry at the present time. That is a very large sum, and even then it is questionable whether we will have barely enough accommodation.

Now, in regard to this building, my information is that the construction is such that there is no possibility of adding another storey. If we are going to spend £75,000, or over $300,000, in repairs to this building, and not be able to very materially extend the accommodation, and the total accommodation is then going to be barely enough to meet our requirements, I cannot see the soundness of the investment. I am leaving the site out of the question altogether. It may be the very best in London, I do not know, but certainly from the information we have we are not making a very advantageous investment of $1,300,000. The right hon. Prime Minister said that it would be very nice for visitors to London this year to see Canada's offices all in one building. Does he expect to have the building ready this summer?

Mr. MACKENZIE KING: No, my hon. friend has misconstrued my remarks. I would ask him to compare his feelings had he turned up at 17 Victoria street, where the old building is, with what they would be at being able to point out the particular site which Canada has now obtained. Then he will have in mind what I tried to express.

Mr. STEVENS: I do not think many visitors are likely to go to Victoria street and then over to Trafalgar Square to see a building which is undergoing extensive repairs. We may dismiss that particular advantage, whatever its value may be. I submit that for this expenditure of $1,300,000 we are not getting the accommodation that was anticipated. Certainly the minister cannot give us any assurance that the building will accommodate the federal offices now in existence in London. The most he can say is that the High Commissioner hopes it will. That was the word my hon. friend used—the High Commissioner "hopes" it will. But we have no information upon which to base such a conclusion. Will the minister tell us the names of the agents who negotiated the sale, or alleged sale, or proposed sale?

Mr. KING (Kootenay): The vendor's agents are Messrs. Collins & Collins, who will be paid by the vendors the usual commission of 2½ per cent. It is proposed to make an addition to the rear of the building. The present floor space is 25,000 square feet; on the completion of the addition the floor space will be 30,000 square feet. I have no personal knowledge as to whether the High Commissioner will be able to consolidate his staff in the new building, but he informs me that it is his intention to do so.

Mr. ROSS (Kingston): Mr. Chairman, last year I was rather favourable to the provision of Canadian offices in London. My idea was that we would, in a measure, emulate Australia in gathering together all our offices in one building. When you go down the Strand you see a large white building which is known as Australia House, and it contains all the offices of the states of the commonwealth. When you look for a Canadian House, you have to go down the Strand where you find a small building that you might pass a dozen times before you would know that it contains the offices of the provinces of Ontario Then you go up by Trafalgar Square and down another little street to find a splendid building representing British Columbia. The attraction is not so much architectural as the ex-

hibition made by British Columbia and the interest which their agent is taking in his work. Then you go by Westminster and eventually reach Victoria street, and there you find in an out-of-the-way place the offices of our High Commissioner. Last year my idea was that we were to get together with the provinces and gather all the offices, both federal and provincial, under one roof and have a truly Canadian House, similar to Australia House. Now we are asked to vote a large sum of money. For what? To remove the offices of the High Commissioner only from away down at 16 Victoria street up to Trafalgar Square,—to a site where the traffic is very small. We are simply expending this large amount of money for the removal of the offices of the High Commissioner from Victoria Street to Trafalgar square, and we are making no effort whatever to co-operate with the provinces in the matter. This is an expenditure which I do not feel like supporting, and I do not intend to support it. I have not been in consultation with anybody else, but I do think it is a scheme that Canada will not be very proud of. The offices of the soldiers—a very small affair, I think—will be removed from somewhere about Oxford street, but these offices will gradually go out of existence. It seems to me that Canada should co-operate with her provinces with a view to federal and provincial officers being located in a building that Canadians can be proud of. If a Canadian from Ontario goes over he finds his own little provincial house on the Strand and then he will find the Dominion house up on the far side of Trafalgar Square. I say it is not a condition that we should be proud of, and I do not think any person who has been in London will be proud of it either.

Mr. McBRIDE: I am most pleased to hear the remarks that have been made to-night about the British Columbia building. When that building was erected the provincial government was ridiculed from one end of the province to the other. It was alleged that there had been graft in connection with the transaction and that the property would be a white elephant on the hands of the province. But here to-night it is held up as a sort of example of good business and as something that Canada has reason to be proud of. I am more than pleased to hear what has been said and I have no doubt that if this building is purchased for the purposes that have been mentioned it may have the same history.

Mr. GRAHAM: The British Columbia building, as my hon. friend (Mr. McBride) says, is something of which his province may be proud. I am inclined to think that the representative of British Columbia had something to do with the business ability that has characterized the activities of British Columbia in London. That building now—and I would like hon. gentlemen to be sure to hear this—is carrying itself.

Mr. MEIGHEN: Did the representative who is there have anything to do with the purchase?

Mr. GRAHAM: I was not saying anything about that.

Mr. MEIGHEN: The minister might tell us who made the purchase.

Mr. GRAHAM: I imagine it was the McBride government that made the purchase, but if the purchase had been made and nothing else had been done, they would never have attained the success that they have attained. There are two reasons why Canada cannot have a building which would include the offices of all the provinces. First, there is no chance in the world that British Columbia would leave their present building, in connection with which they are making a profit, and move into another. The provinces, I believe—at least some of them—are not in favour of joining with the Dominion in the erection of a general building for all. In the second place, you can imagine what a building would cost that would accommodate all the provinces and the Dominion, with all their activities—even if you could get it; and I doubt if you could go into London to-day and either purchase outright or secure a lease of a building that would accommodate all the provinces and the Dominion. And what would happen to an estimate for a building of that kind when this moderate estimate for a building for the federal activities meets with so much opposition? Now, I am not going to compare Canada with Australia, because I think Canada is away ahead of Australia, to put it mildly; the various activities of Australia are not nearly on so large a scale as those of Canada would have to be in any building.

Mr. ROSS (Kingston): Is Australia not getting a pretty large percentage of immigration from the Old Country?

Mr. GRAHAM: We might have had greater immigration if we had had an attractive building and adequate offices. But last year Canada got greater immigration from the British Isles than all the overseas dominions put together.

Mr. CLARK: From Great Britain?

Mr. GRAHAM: From the British Isles.

Mr. CLARK: That does not correspond with what the minister read a few days ago from a book which was called, I think, the Parliamentary Journal. Those figures were not shown there.

Mr. GRAHAM: That statement was made and not denied at the Imperial Economic Conference during the discussion of the plan of the British Empire Association for emigration to Canada.

Mr. CLARK: Can the minister give the figures?

Mr. GRAHAM: Surely I cannot give the figures.

Mr. MEIGHEN: Does the minister mean the calendar year 1923, or the last fiscal year?

Mr. GRAHAM: I cannot say that; I did not charge my memory with it. But I know the statement was made and it has never been denied. Perhaps I shall be able to produce the figures. We were discussing immigration there at close range, and the figures were given in that connection. Now, I have seen this building on Trafalgar Square, and, more than that, I have done what the hon. member for Kingston (Mr. Ross) has done: I have hunted up and down the street to find the Ontario office. Not only did I have trouble in finding it, but I could not come across anybody who could tell me where to find it. I walked up and down the street for an hour; I knew I was within two or three blocks of the place. I looked into a window and saw some preserved fruit or something of that kind on display; I went in and discovered that it was the Ontario building. The building on Victoria street was not a fit building for representatives of the Dominion of Canada. People who went in there had a good deal of difficulty in finding the High Commissioner. The High Commissioner in former years was charged with not seeing people who went to call upon him. The fact is that the offices were to my mind altogether inadequate. The High Commissioner himself has a small office that no member of the Canadian parliament would trade his office in this building for. At present the High Commissioner has some rooms in a building on a corner of the Haymarket. I drove down there to hunt up the High Commissioner and I discovered that I had to find him out among a lot of other people who were occupying the building. He is the only representative of an overseas dominion whom it is difficult to find in London. Canada loses immensely by having her High Commissioner housed in a building which is altogether unfitted for a representative of this great country. I went into this building on Trafalgar Square. It has a splendid location. I do not know whether you could build another storey on it or not, but I do know that it looks out on Trafalgar Square and that the daily traffic past this building is such that more people will be brought in touch with Canada in a few months than would be the case in ten years on Victoria street. Surely it is not a bad investment for Canada to have a building of her own in the heart of London if we intend to continue to do business in the metropolis of the world. Australia has her representatives disposing of her products in London, and I think the same applies to New Zealand. We have not gone that far, but perhaps we shall want to go that far before very long. Our first step, however, is to provide a building worthy of this great Dominion and to let the people of London and the people of the world who go there know, through our High Commissioner, through our Trade and Commerce department and through our Immigration department, just what we have in this country. I have enough faith in Canada to believe that when the people of the world know what Canada is and what we have, we shall have no trouble in filling up our vacant spaces in this great country. British Columbia has made money on her investment, and I have no doubt in the world but that Canada could in a few years sell her equity in this property for much more than she is paying for it to-day. I do not look upon an investment where you are getting value for your money as throwing away your money at all. It is not an expenditure in the ordinary sense of the word; it is simply transferring cash into its equivalent in real estate, and the real estate in this case will bring to the people of Canada, to my mind a return in every way. Our citizens when they go to the great metropolis will not be ashamed to say, "I am from Canada", for Canada has now a suitable place for her representative. If it were a private concern acting under the same circumstances I think they would consider it a good investment, both nationally and commercially.

Mr. MEIGHEN: Mr. Chairman, I am one of those who would like to see a Canadian building in London. I have always harboured that hope, and I do not want it to be represented that the reason it was not acquired under the late government was that we could not find one. That was not the reason according to my recollection. The reason was that we had so much other expenditure to take care of that we thought it would have to wait. The hope at that

time was—and I did not know it had been abandoned, apparently it has only been abandoned during the last few months—that we would be in the fulness of time, when we could afford it, get a building in which the representatives of all the provinces could be held. I know that British Columbia now has a building in London and a fine one. I suppose they made a good real estate investment. I do not want to withhold credit from them, but really I do not feel like falling down in adoration before the financial or commercial discretion of a government merely because real estate has gone up in value. Nor do I share the argument of the minister that this is going to be a paying thing because real estate in London is going to go up more in value. I do not know whether it will or not; I do not think anybody else knows whether it will. A great many people have often thought real estate would go up, and now are very sorry that they thought so, and the experience of Canada may be the experience of England. No one knows. In my judgment—not that I think it is worth anything, I do not think the judgment of anyone here is worth anything on this matter—but for myself, knowing present real estate values in London compared with what they were before the war, I would rather be on the bear end of the market if it were the right and proper duty of the government of Canada to be speculating in real estate.

But, coming to the right course to pursue to-day, it is not to buy with the idea that real estate is to go up; that is not our function at all. Our function is to get, at the proper time, a site for the purpose worthy of our country. Now, I would not want to give up hope that Canada could have a building in which the provinces yet would come,—and possibly British Columbia, which has a little debt, might be disposed to apply its profits upon its real estate in London to that debt. They may not be so disposed. They have a perfect right to decide themselves what they are going to do with it. But I do not like the idea of the provinces of Canada being separately represented over there in separate buildings scattered all over the city of London, to appear in adverse fashion before various departments. I would like to see them all together, and I would like to see a whole lot more cohesion in the representation of this Dominion in the capital of the Empire. Surely it is not too big a thing to look for that Canada will have a unit representation there, not nine representatives there, not ten representatives there, some working not in consonance with but in competition with the others—striving for the highest seats in the synagogue and all the rest of it. It is not a spectacle that is alluring and it does not seem to me consonant with the structure of confederation that this individual representation should continue, and especially in isolated fashion in the Motherland.

Now, even according to the minister's hopes, based on the unspecified predictions of the Commissioner over there that he is going to be able to house four different departments in this building, though upon the best information we have here—

11 p.m.

for the minister has none at all—it is only the size of that now occupied by his own department, one of the four, and is going to cost us $36,000 a year more than the other four together. Besides, notwithstanding the encomiums passed upon the building by the Prime Minister, I learn from other information maybe not as good, —and I may as well mention one of my informants and only one, the hon. member for Halifax (Mr. Black), who is pretty well acquainted with London, that this building is on a street close to a heavily travelled street but not itself heavily travelled. It is near to being a good site but it is not the best by any means. But would it not be better to wait and try to work out what we have been struggling towards, and also wait till we are in a better financial position than we are in this year of grace? Do not let the minister imagine that he is going to get this in shape by spending $300,000 on it. It is not going to be in a very alluring condition when the British Empire Exhibition is on. I hope we will have a display at that Exhibition which will be a credit to Canada, without our having to buy a $1,250,000 or $1,500,000 building in order to have a side attraction.

It seems to me the part of wisdom to get along as we are for the present. We managed in other times and right up until the war was well on, to entice a large volume of immigration here, even though we had no very pretentious office in London, and I fancy that it we have good wholesome conditions in Canada we will get immigration here. The volume of our immigration is not going to be enlarged by the size of the window panes of a building in the middle of London, but by the letters home of the people who get work in Canada. That will affect immigration much more rapidly than the character of the building we happen to have in any section of the capital. That is my suggestion to the government. I do not yield to anyone in the pride I feel in the fact that some day we will have a home there worthy of the whole Dominion, and not merely one that

is going to be a sort of fairly well placed edifice, but which after all will take second place even to the building that represents the province of British Columbia.

Mr. MACKENZIE KING: I think the first part of my right hon. friend's remarks perhaps affords the strongest of reasons why the government should purchase this very property. He has intimated that he hopes to see the day when the offices of all the provinces of the Dominion as well as of the Dominion itself will be housed under the same roof. It so happens that this building adjoins the Royal College of Physicians and Surgeons, and had the government felt that parliament would be prepared at this time to purchase the entire frontage facing Trafalgar Square, and which would give to the Canadian building an entrance on Cockspur street and also on Pall Mall East, I think the government might have proceeded with an effort to secure the building of the Royal College of Physicians and Surgeons as well.

Mr. MEIGHEN: I am told it cannot be secured.

Mr. MACKENZIE KING: The government has been told that possibly it can, although not immediately. The College of Physicians and Surgeons building is held under lease from the Crown, just as this building is. I think the Dominion has reason to believe that the British government would aid it in furthering any object of the kind it had in view; and it is not unreasonable to expect that in the course of a little time, perhaps, when the country is in a better position to incur additional expenditure, the adjoining building —the building which this immedately adjoins but which is really part of the same structure—will become available. That is one reason, I think, why we ought to take this site while there is a chance to take it. More than that. As to postponing the making of a purchase I might call the attention of the committee to the fact that our lease of the building on Victoria street expired a year ago. We could not renew it unless we were prepared to take it for another term of years. The government did not feel it would be justified in leasing such a building for another five or six years; it was long out of date many years ago, and at the present time we have come into temporary quarters. We are there only for the period of a year with the right of renewal for another year; there is no certainty we will be able to stay there any longer. All these circumstances have to do with the considerations which, in the government's mind, make it imperative to purchase the site at once.

Mr. RYCKMAN: I am really distressed at this vote. I think it would be a blunder for the parliament of Canada to purchase this property. I am familiar with the property, I know its location, and if the Prime Minister also knows it he should have told this House that while the building is on Cockspur street the traffic of that thoroughfare is on the other side of the street. This building is in the delta formed by Pall Mall east and Cockspur street at the foot of the Haymarket. When you talk of the traffic expected on the side of the street the building is on, you are talking of traffic the volume of which is not nearly as great as that which passes 17 and 19 Victoria street; there is no question about that. The British Columbia building has been referred to. Compared to the building in question here the British Columbia building is a palace. The building of the Bank of Montreal on Waterloo Place, across from the British Columbia building, would put a building of this kind—which the Prime Minister refers to as such an acquisition to Canada and likely to cause all Canadians who go there to look at it in admiration —completely and absolutely in the shade. On that point I defy contradiction from anyone. Furthermore there must be something or somebody who has a great urge to buy this building? Who can it be? It cannot be the person who got the opinion of Messrs. Knight, Frank & Rutley put on Hansard on Thursday last. I want the members of this House to read that letter, which was something like this: If you want to buy a property you want it in this exact place. As the man you want to buy it from is not very willing to sell it £200,000 would be a fair price. Now, the price this country is asked for is £25,000 in addition to that. Read the letter, That is the plain statement of the advisers who have been called in to decide as to the fairness of this price. At this particular time when it is necessary to practise economy by purchasing this building, which cannot be extended, we shall be putting ourselves in a cast-iron mould, and Canada consequently will have but a secondary site in the first city of the Empire. I hope, Mr. Chairman, it will not go abroad that the right hon. Prime Minister has passed his judgment to-night that this is the finest site in London—I think he even said in the Empire.

Mr. MEIGHEN: In the world.

Mr. RYCKMAN: The finest site in the world, that is his description of it. I think that will reflect upon the judgment of the Prime Minister. I think the public—certainly in London who know this building, and the public in Canada who also know it—will say it is not a question of veracity, but a question of judgment.

Mr. MACKENZIE KING: Will my hon. friend tell me a finer site in the world than Trafalgar Square?

Mr. RYCKMAN: Yes.

Mr. MACKENZIE KING: Tell me.

Mr. RYCKMAN: I certainly will. There would be a beautiful site for this building where the British Columbia building is on Waterloo Place. But, talking of Trafalgar Square, this building will be on the dead side. There will certainly not be so many people passing on that side of Trafalgar Square or Cockspur street as pass 17 and 19 Victoria street where the offices of the country were before.

Mr. LOGAN: Nonsense!

Mr. RYCKMAN: My hon. friend says "nonsense". He has certainly not had experience or he would not make that remark. At this time when the country is being asked to save money where it can this purchase should not be made. How was it Lord Strathcona could live and carry on business on Victoria street, also Sir George Perley? But we have a new High Commissioner now and the idea is that money should be spent and spent in large amounts. I am against this vote, and I think that everyone who knows the location and the facts will be of the same opinion. In conclusion, I pin my judgment to the letter of Messrs. Knight, Frank & Rutley whom the government got to support this purchase.

Mr. CLARK: I am once more amazed to find the great interest taken by hon. members to our left in expenditures. We have two expressions from that quarter on this vote; one from the leader of the party in his usual critical terms, to the effect that it is unfortunate that this vote came this year. Well, if it is unfortunate that the government proposes to spend this money this year, surely it is unfortunate that the party to our left sit quiet, without protest, prepared to allow the vote to go through.

Mr. KELLNER: Do you not want a chance to speak?

[Mr. Ryckman.]

Mr. CLARK: No, I was not looking for a chance to speak. All I was looking for was a chance to vote against this item, and I am going to see that I get it. Like my leader (Mr. Meighen) and the hon. member for Kingston (Mr. Ross), I do not think any member is more anxious to see the government properly housed in London or more anxious to see justice done to Canada in Great Britain than I am. Canada has done very well as the leading British dominion for a great number of years, with immigration that largely exceeds the immigration of today from Great Britain, with immigration that largely exceeds the immigration that we can look for from Great Britain for a period of years to come, and I think we can reasonably say that that business was fairly well handled by our former High Commissioner. As I stated the other day, what we are here for, particularly this year, is to see that every item of capital expenditure that is proposed by the government and that we can do without this year or for a period of years to come, should be cut out ruthlessly from the estimates. What is the effect of passing these various items of capital expenditure that we can do without? It means that the promise contained in the Speech from the Throne for a reduction of taxation cannot be carried out, unless that reduction in taxation is the mythical reduction in taxation on agricultural implements by reducing the tariff. That, to my mind, is not a reduction in taxation at all. That will increase what is commonly undersood by the people of this country as taxation. The other day the Minister of Justice (Mr. Lapointe) referred to taxation in this country as compared with taxation in Great Britain and other British dominions. The comparison which he gave, with all due respect to his opinion, was not at all applicable to our present condition, because the system of government in those dominions is entirely different, and it is almost an impossibility to arrive at the per capita taxation in this country as compared with that in New Zealand, for instance. The Minister of Justice shakes his head. He knows that we have a federal government—

Mr. LAPOINTE: What about Australia?

Mr. CLARK: I am talking about New Zealand just at the moment.

Mr. LAPOINTE: I see.

Mr. CLARK: I will come to Australia. The Minister of Justice was referring to New Zealand and Great Britain where the system of government is entirely different.

Mr. LAPOINTE: I said that, too.

Some hon. MEMBERS: Order.

Mr. CLARK: I can surely give my reasons.

The CHAIRMAN: I think the hon. gentleman is out of order because he is referring to a debate which took place previously during this session. That has been disposed of.

Mr. CLARKE: I quite understand that, and what I propose to do is to give my reasons why this vote should be struck out. If the Chair rules that I cannot give my reasons why this vote should be struck out, I will bow to the ruling of the Chair.

The CHAIRMAN: The hon. member cannot refer to a debate which has been carried on during the same session at a previous time of the session. That is the point exactly. There is no question at all that he can give his reasons.

Mr. CLARK: I was saying that if we do not reduce expenditures in this country, we cannot reduce taxation. I was about to compare the taxation of the country, which is our real competitor, namely the United States, with that of Canada. The Minister of Justice, I think, stated that our federal taxation was $37 per capita. The taxation in the United States, our real competitor for capital and for industry, is $29 per capita. Until we can approximate the taxation in the United States, we cannot hope to encourage capital to invest in Canada. Capitalists in this country will not invest in industry to-day. They are investing in bonds, tax-free bonds where they can get them. I know of capitalists to-day who are investing in western Canada in investments which they know will not yield an income, relying upon the increased value in the properties they are purchasing in the next ten, twelve or fifteen years, in order to get away from taxation. They absolutely refuse to invest in any industry to-day on account of, first, taxation and, second, lack of stability in Canada owing to the fiscal policy of this government. For those reasons chiefly, I am opposed to this vote, and I would, therefore, move that resolution No. 139 be reduced by the sum of $1,300,000.

Mr. McMASTER: I do not wish to support this resolution by a silent vote, and I would like to make an appeal, futile though it may be, to hon. members on the treasury benches not to force this vote through the House. I think more and more the people of Canada are feeling that if there is possible for us an independent national existence, our governmental expenses must be cut and cut to the bone. I cannot, for the life of me, see why it should be necessary to make more ample provision for our representation in London than what has proved, perhaps, not sufficient or perfectly adequate, but at least practical, for the last ten or twelve years. I have no desire to see this government embarrassed, but I have a desire to see them not place themselves flatly in opposition to what I believe to be the views of this country on the question of governmental expenditures. There is only one policy that will satisfy the Canadian people, and that is that anything that we can possibly do without, we should do without in attempting to balance the budget.

I am not familiar with the situation in London of these buildings. This may be an excellent building that is proposed. I am not going to deal with the question whether the scheme under ordinary circumstances would be a good scheme or not. The question with me is what expenditure should be incurred of anything but an absolutely essential nature if the country's finances are in the conditions they are in. I would ask the government to realize that non-essentials must be cut out. I would like to raise my voice in protest against the idea that the prosperity of this country in the future, its importance in the world, is going to be judged by the size or the grandeur of our offices in London or Paris or any other place in the world. The sensible people of this world will think a great deal more of Canada's balance sheet than of Canada's architectural or building possessions in this, that or the other city. I do not wish unduly to take up the time of the committee, but I would implore members on the treasury benches to realize the temperate spirit of the country as regards expenditures and not to endeavour to force this vote through.

Mr. MACKENZIE KING: There is no desire on the part of the government to force anything, but as I intimated a moment ago the lease of the building in which the offices were formerly situated has expired and we are now in temporary quarters. There is not the least doubt that if we go on renting accommodation as we are doing to-day it will cost us much more in the end than if we purchased a building outright. By the purchase of the building we shall save in the way of rents. As pointed out by the minister in charge of the estimates (Mr. King, Kootenay) there will be economies the moment that the different departments are brought within one building. It is perfectly

clear that offices scattered in four different parts of London, none of them in a position at all comparable to this, involve a great deal of waste both in money and time on the part of those engaged in public work in England on behalf of the Dominion and on the part of people who go over to transact business there. The government have gone into this matter very carefully and if we were not convinced that it would make for economy in the long run we would not venture at this time to make the purchase. I think I have given to the House reasons sufficient to show why the chance we have now or a similar chance might not come again. I intimated first of all that a site of this kind is not always available. An hon. member said that the Morley's hotel was a much finer site. I do not know whether he heard me say that that building is to be destroyed; as a matter of fact it is being pulled down to afford a wider space at the entrance to the Strand. The moment that building is removed the value of the property we are acquiring will go up materially. One side of Trafalgar square, as hon. members may know, is occupied by the National Art Gallery, and on the other sides there are the main approaches of London, one down the Strand to the east of London, the other towards Westminster, and yet other approaches to the west of London. Altogether for our purposes there is not a finer site anywhere. An hon. member spoke about the greater part of the traffic being on the other side of the street. Well, that only makes the position of this building all the more advantageous. It is office accommodation that will be required, and it will be very much to the advantage of those who will occupy the building, as well as convenient to persons looking for it, not to be on the crowded side of the street. Moreover, it presents to persons searching for the offices a view of the building much more conspicuous than if the building were located on the congested side.

There is another feature of the situation which perhaps is worth noting. My hon. friend who spoke a moment ago (Mr. McMaster) is aware of the state in which London exchange has been in the last year, and I can say to the House on fairly good authority that so favourable has the exchange been towards us that having regard to our financial transactions in London we shall save enough out of the difference practically to pay the cost of purchase of the entire building. I have here a communication addressed to me from Mr. Larkin dated February 16, 1924. It is written from the office of the High Commissioner for Canada and reads:

[Mr. Mackenzie King.]

My dear Prime Minister,

Union Club

The enclosed is copy of a letter I have just received from Messrs. Charles Russell and Co., which speaks for itself.

Since the purchase of the building we have saved about $30,000 by not having to pay the money out, as exchange has dropped from 4.70 odd to 4.43, and I think it will come down further. Anyway, I think it would be worth while not sending the money over here until we need it which, as you will see, will be on the 25th of March next. The amount is as set forth in the letter to the Minister of Public Works dated 19th January.

This letter is signed by Mr. Larkin. He points out that since the purchase of the building there has been a saving of some $30,000; that is to say, since the time the option was taken. This is a factor that might be taken into consideration. I see my hon. friend shaking his head. Now, I do not urge it as a reason, but at least it is a consideration which I think might well appeal to hon. members. In any event the government is committeed to take this building and is prepared to stand or fall by it.

Mr. FORKE: I regret very much that the Prime Minister saw fit to make the statement with which he closed his remarks, that the government would stand or fall by the purchase of this building.

Mr. MACKENZIE KING: We have to. We cannot be a government and enter into contracts which we are not prepared to carry out.

Mr. FORKE: Well, if the vote is taken I will vote against the item.

Mr. STEVENS: I want to make clear one or two points which I think the committee should take note of. First of all, there is absolutely no satisfactory evidence before the committee that the building will serve the purposes which it is alleged that it will, that is to say, accommodate the federal offices. That is not clear to me, nor has it been made clear. There is another point. We shall pay $36,000 more per annum than we are paying for the existing accommodation. Again, this is a case where the money is going out of the country and is not serving to relieve in any way distressed people in Canada. The Prime Minister tells us that we shall save rents. I do not think we shall; I rather think that this will add to the present cost.

Mr. CARROLL: What is your evidence of that?

Mr. STEVENS: The evidence of the Minister of Public Works, for whatever it is worth.

Mr. KING (Kootenay): My hon. friend (Mr. Stevens) is of the opinion that the federal offices will not be accommodated, but that is merely a repetition of statements that have no foundation in fact. The High Commissioner advises us to the contrary. As regards the question whether the dominion government should allow its present offices in London to remain scattered or should consolidate them in a proper building, I do not think it will be disputed that it would be in the financial interests of the country to take the step which is proposed, and I am satisfied that the people of Canada will approve of the action of the government on the ground that it is desirable that we should have proper quarters in London.

Mr. MEIGHEN: There are some particulars which I still desire and which the minister has failed to give to the committee. Before I ask for them however I should like to emphasize this fact. The minister should never have come for a vote of this magnitude without being able to demonstrate by actual facts which were easily at his disposal that there is enough space in this building to take care of the offices which at present occupy the various other buildings. The minister cannot give us the space we occupy, or the space we require; all he can give us is a hope of Mr. Larkin's that everything will come out all right. There is no evidence that Mr. Larkin has measured the space; he has looked at the building and he thinks that if he gets it it will provide the necessary accommodation. He does not know what the office requirements are in regard to immigration, or pensions or any other branches, but apparently he has an idea that if he can acquire this building he will be able to crowd these offices into it. That is really what he has told the minister in effect. Is not that simply a pig in a poke? When does the government's ground rent agreement run out?

Mr. KING (Kootenay): Thirty-nine years under the £2,000 a year; with the extension of the lease the term will be ninety-nine or one hundred years.

Mr. MEIGHEN: More?

Mr. KING (Kootenay): No, sixty years more.

Mr. MEIGHEN: Yes, I know. But if the government took over merely the present lease it would run for thirty-nine years. Is the minister sure it is thirty-nine and not twenty-nine?

Mr. KING (Kootenay): It is thirty-nine years.

Mr. MEIGHEN: But, as I understand it, a new lease has been made for ninety-nine or one hundred years?

Mr. KING (Kootenay): A lease will be made, yes.

Mr. MEIGHEN: What will be the rent then?

Mr. KING (Kootenay): The rent will be £2,855.

Mr. MEIGHEN: For ninety-nine years?

Mr. KING (Kootenay): Yes, certainly.

Mr. MEIGHEN: Has the government any information at all as to when the term expires for the building next door, the College of Surgeons' headquarters?

Mr. KING (Kootenay): It is freehold. It is held on a peppercorn lease.

Mr. MACKENZIE KING: It is held on a nine hundred and ninety-nine year lease.

Mr. MEIGHEN: Is there not a rent of so much a year?

Mr. MACKENZIE KING: A penny a year.

Mr. MEIGHEN: So the freehold really has to be purchased, that is what it amounts to, and all that possibly exists there is the hope that it can be bought; there cannot be anything else.

Mr. KING (Kootenay): The Crown holds the fee.

Mr. MEIGHEN: I know but the Crown does not own the building. The building has to be purchased from the present tenants. So all we have got is this one building which, according to the hope of Mr. Larkin, will hold only our own federal offices, but which the government has not any data assuring us that it will. The government has signed a contract and bound the honour of Canada—this government that has been boasting for months that they took no steps to bind the country without the authority of parliament.

Mr. KING (Kootenay): It is an option.

Mr. MEIGHEN: Then the option need not be taken up.

Mr. MACKENZIE KING: We would lose the deposit we have paid.

Mr. KING (Kootenay): A small amount.

Mr. MEIGHEN: This is a new feature altogether. We ought to know the amount of the deposit.

Mr. KING (Kootenay): A hundred pounds has been paid.

Mr. MEIGHEN: We are pretty hard up if we cannot afford to lose one hundred pounds. Although the government's existence is not worth a great deal, surely they should not stake it on a hundred pounds! All we have at stake is a hundred pounds; the honour of the country, I am told now, is not bound at all. So hon. members can surely see themselves free to save this dive into the dark for the purchase of a building that at best is not going to be any great credit to us. Certainly it is not going to serve the purposes we have had in mind for years, and its purchase will alienate from Canada $1,300,000 in a year that is perhaps the worst in decades in which to send money out of the country.

Mr. BOYS: When does the option expire?

Mr. KING (Kootenay): On the 25th March —to-day.

Mr. BOYS: Then it is no longer an option. If it expires to-day, and has not been accepted, the opportunity of getting this building is gone.

Mr. KING (Kootenay): No.

Mr. BOYS: If the option has been accepted, then I presume we are bound and the honour of the country is at stake. Has the option been accepted?

Mr. KING (Kootenay): Yes, we carry on for the time being at a 5 per cent interest rate.

Mr. BOYS: I do not know what the minister means by saying, "We carry on". Has the option been accepted?

Mr. KING (Kootenay): The High Commissioner has accepted the option.

Mr. BOYS: There should not be any mystery about this. It is a very simple proposition. We are told there is an option, and that it expires to-day. If an order in council has been put through authorizing the acceptance of the option, when was it signed? If it has not been signed, the country is not liable at all and our rights will be gone in about twenty-three minutes.

Sir HENRY DRAYTON: The option has already expired.

Mr. BOYS: Yes. That may raise the question whether the time is up in Canada or in London.

Mr. KING (Kootenay): The Dominion government paid one hundred pounds as a deposit on the purchase price at the time of the signing of the agreement, and the balance of $1,224,900 is payable on the 25th day of March 1924. That is the situation apparently, and if the balance of the purchase price is not paid on the 25th March instant, interest at the rate of 5 per cent per annum is to be paid the vendor.

Mr. BOYS: Mr. Chairman, I do not like to be too positive about anything I have not seen, but if I may draw what seems to be a natural deduction from what the minister has just read, it looks to me as if it never was an option. What is it?

Mr. KING (Kootenay): Really an agreement to purchase—the same thing.

Mr. BOYS: Then why are we told it is an option one minute and an agreement the next?

Mr. STEVENS: I notice in the letter read by the right hon. Prime Minister that the High Commissioner advised that the money should not be sent forward until March 25th. Has it been remitted to London?

Mr. MACKENZIE KING: No, certainly not.

Mr. STEVENS: The money has not been sent forward?

Mr. MACKENZIE KING: No.

Mr. DOUCET: Although I have been following the debate pretty closely, I am yet without certain information. First, we are told that we have an agreement to purchase, then that we have an option. It seems to me that this obscurity should be cleared up for the benefit of the committee. It is either an option or an agreement to purchase. I would ask the minister not to press this vote until he has given the committee the floor space of this building with the addition contemplated, and the floor space of the four buildings now occupied as Canadian offices in London. Only then will we be in a position to say whether this proposed building will be sufficiently large to accommodate our offices. Up to now we have nothing to rely on but the hope of the High Commissioner that the building will afford the necessary accommodation. The hon. member for East Toronto (Mr. Ryckman) seems to be in possession of valuable information as to the location of the building in question, much more possibly than that possessed by many hon. members who have already spoken and who have advised as to the necessity of hurrying forward the purchase. Before any hon. member can give an in-

telligent vote upon this enormous expenditure of $1,300,000—at a time when we are all preaching, and wish to practise, economy—we must have the information called for this evening.

Sir HENRY DRAYTON: It seems to me that we are in danger of overlooking what is actually a very grave departure from proper practice in connection with this transaction. Does anybody know the date of the order in council under which the contract was made? Does anybody know under what pretended authority the country was committed to a contract involving the expenditure of this large sum of money without the slightest expression of opinion from parliament? I would ask the Minister of Justice (Mr. Lapointe), what is the legal justification for this alleged contract? Can he tell me? He cannot, simply because there is not any. And this from the party that was going to be so very constitutional, the party which was going to do nothing of which parliament did not first approve—this party pledged the honour of the country and themselves without the slightest parliamentary authority. And it is not as if this were the only case of its kind. We were given an illustration of it last session when we had the case of the Scribe hotel; and here we have another purchase apparently without the slightest authority. If there is any, can we get it? Is the cabinet absolutely dumb? I would like to refer them to their own protestations, to what they themselves said hundreds of times when they were on this side. I would refer them to some of the utterances of my right hon. friend the Prime Minister about autocracy, about the usurpation of power, the responsibilities of government, the rights of the people, control by parliament, and the iniquities of orders in council. Yet here we have these very same gentlemen apparently ready to spend over a million dollars absolutely without authority. I am going to ask again—perhaps I can get an answer this time—what is the date of the order in council authorizing this agreement?

Mr. MACKENZIE KING: My hon. friend has spoken about consulting parliament in the matter. If he will take the trouble to refer to the debates of last session he will find that when the estimates of the High Commissioner's office were before the House I referred to the necessity of our purchasing a building in London. The matter was discussed, and the occasion was alluded to by two or three speakers this evening who mentioned that at that time it was intimated that we were going to get a much larger building. If the House had any objection to the purchase being made, that was the time the objection should have been offered. The matter was brought forward purposely at that time in order that the High Commissioner might receive instructions whether he should proceed with the negotiations which, as I mentioned to the House at the time, were in progress. Having brought the matter up in the House and having had it discussed here, the government instructed the High Commissioner to proceed with the negotiations. As I think I mentioned on that occasion, it was not advisable to have undue publicity in connection with the effort to obtain particular buildings; that if they were to be purchased at a satisfactory price it would not be wise to advertise the circumstances too freely to intending vendors. The whole matter was discussed in the House last session, and the government certainly took it from the discussion that the members of the House were in favour of the purchase of a building in London; indeed, the expressions of opinion given were practically all to that effect. The High Commissioner was instructed to go ahead with the negotiations. He kept the government fully informed, step by step, of what he was doing. The government authorized him to enter into an agreement which would give us the right to obtain this property. We have not yet put through an order in council acquiring the property, but one will be passed as soon as this amount is voted.

Sir HENRY DRAYTON: Surely my right hon. friend is not serious when he says he has no authority for the making of this contract. There was talk about purchasing something—it might have been about the purchase of anything. There was no vote, there was nothing which anyone coming into this House for the first time in his life could refer to as an authority for anything. So we now learn that Mr. Larkin was instructed to sign the contract; it is a contract which Mr. Larkin has entered into on the authority of instructions of the government. How did the instructions get to Mr. Larkin? Which department looks after that?

Mr. MACKENZIE KING: The Department of Public Works.

Mr. MEIGHEN: I do not know that there has ever been a precedent for this situation in the history of this parliament. It is apparent from the confessions of the government, although some of the confessions are wholly contradictory to others previously made, that

they have actually a contract signed, an absolutely binding contract under which this country undertakes to pay $1,300,000 in England. I do not think a member of the government dares to get up and dispute that. That is the position we find ourselves in to-night—not even a contract in which there is a clause making it subject to the vote of parliament and thereby relieving us of damages in the event of the vote not being taken. And the Prime Minister says, "We have authority to do it, because I mentioned it a year ago; because I said we were thinking of buying a building somewhere in London." This is the responsibile government for which the battle was fought in 1921. Let us all be careful; let us listen to every word that falls from the lips of the Prime Minister and from every member of the government; for if they venture to express the hope that some day we will own something we may expect the next year to find ourselves bound hand and foot and the money practically sent over. Really I cannot conceive of a member of a government making a plea of that kind before an intelligent committee. Talk about responsible government! Certainly a government must make contracts. Sometimes it is bound to do so in emergencies; sometimes it even has to call in the aid of Governor General's warrants. But in a case of that kind it makes its contract subject to the will of parliament. It does not come to parliament and say, we are tied hand and foot and we have either got to stand or fall—and "O, what a fall was there, my countrymen!" if this government actually fell. The government has no sense of its responsibilities when it ties the hands of this parliament, making us mere automatons, putting us in a position where we have no say at all, binding us to an investment overseas in respect of which not a single member of parliament outside the government had the faintest knowledge and with regard to which we have mighty little knowledge even yet. That is the position the committee finds itself in now, landed there by a government elected to restore —mark the word—to restore responsible government in Canada, to gather the shattered remnants—

Mr. JACOBS: We have not yet spent five million dollars on graving docks to elect a minister of the Crown.

Mr. MEIGHEN: No, I do not think you have spent $5,000,000 on graving docks, but you are spending it as fast as you can on that graving dock, and your minister says you should have spent it sooner.

[Mr. Meighen.]

Mr. JACOBS: That dock only elected a member of the government which was in office for but a few months.

Mr. MEIGHEN: Yes, and the Minister of Public Works censured us a year ago because we had not gone ahead with it sooner, declared that we had thereby lost a lot of business for Canada, declared that was the only fault he could find with it. However, we had better not get slid off into a graving dock. Whatever we did we had the authority of parliament for, and I would like to see the authority of parliament produced for this.

Mr. JACOBS: We are getting it now.

Mr. MEIGHEN: After the purchase is made. That is the hon. member's idea of responsible government—have ourselves bound with chains and then told, you have to do it, the honour of the country is bound, and all you are here for is to do it; and the hon. member for George Etienne Cartier (Mr. Jacobs) is slave enough to come right up to the mark and do it.

Mr. JACOBS: The hon. gentleman and his cohorts have the right to vote against it now.

Mr. MEIGHEN: And anyone who has some real interest in responsible government is likely to do so, but those who talk the loudest about it trifle with it the freest. We have a beautiful illustration of that to-night. We did not know until we arrived on the scene that we were in this position.

Mr. HEALY: May I ask a question?

Mr. MEIGHEN: I see the hon. member for "Belle River" is here.

Mr. HEALY: More rude than clever! Might I be permitted to ask the right hon. leader of the opposition a question?

Mr. MEIGHEN: Certainly.

Mr. HEALY: Had the vote passed the House and the contract been entered into, what would have been the attitude of the right hon. gentleman?

Mr. MEIGHEN: I would not have needed to take an attitude. If the vote had passed the House they would not be back here for another. There was an instance like this once before, and I will remind hon. members when it was. It was when another government that doubtless boasted of its sense of responsibile government tied us hand and foot to a railway running into the Yukon ter-

ritory, tied us to a railway contract in which there was no clause exempting us in the event of the money not being voted by parliament. Parliament refused to pass the vote, and parliament was mulcted in damages to the extent, if I remember correctly, of about $12,000,000.

Mr. PARENT: Does the right hon. gentleman not remember another case when he was in power, when the Quebec and Saguenay railway was bought before parliament was ever consulted?

Mr. MEIGHEN: Never; not at all. The hon. member's memory is very weak. There was nothing done there except it was expressly stated to be subject to the vote of parliament.

Mr. PARENT: But the contract had been entered into.

Mr. MEIGHEN: That clause left parliament free. Is parliament free to-night?

Mr. PARENT: Undoubtedly.

Mr. MEIGHEN: Free? When the minister tells us there is an absolutely binding contract and that the country will have to pay damages if the money is not voted, and we are liable to specific performance? That is the position we are in to-night.

Mr. JACOBS: Where does the hon. gentleman get his law for that?

Mr. MEIGHEN: I get it principally from the fountains of common sense.

Mr. JACOBS: The hon. member thinks law and common sense are one and the same thing, and he is a lawyer.

Mr. MEIGHEN: My sense of law is common sense; I am afraid the hon. member's sometimes is not. The position is this: If we are bound and there is no relieving clause making it subject to the vote of parliament, why are we not liable to specific performance?

Mr. JACOBS: Whom will they sue?

Mr. MEIGHEN: Sue us unless we refuse a fiat, as the Minister of Justice did last session in the Marshall case. That is the only way we could get out of it, and it is not a very honourable way. Now we know the position we are in, and we know who have placed us in this position.

Mr. SUTHERLAND: We have to-night the remarkable spectacle of the Prime Minister making the direct statement that this country is committed to the purchase of this property, and immediately afterwards the Minister of Public Works, under whose department this matter comes, informing the House that the country is not committed, that it has an option and the option is going to expire in about three minutes. Now we are given to understand that the functions of this parliament are simply to ratify what the government does. This is their sense of responsible government which we have heard so very much about. We all remember how the Prime Minister and those associated with him toured this country from the Atlantic to the Pacific a short time ago denouncing the autocracy of hon. members who now occupy this side of the House. If ever there was a clear case of autocracy and of contempt for parliament it is exhibited in the action of the government in this matter. I am surprised that certain members of the government can sit in their seats and listen to the directly contradictory statements that have been made by their colleagues and expect parliament to vote this $1,300,000 through without any further discussion.

12 midnight

We have heard arguments advanced why this vote should be passed. The Prime Minister himself admits that the property is not a desirable one unless the property adjoining it can be secured at some time in the future, and he has no assurance that it can be secured. He has not been able to show the House that it can be secured. We have heard the Minister of Railways (Mr. Graham) telling the House that it is going to be a good investment. You would think that this government were annoyed with all the money they have on their hands for investment, and that they had no idea what to do with it. We have been told that it is going to be a great advertisement for Canada, that there are many people over in the Old Land who have not heard of Canada, but who when they see this building in the middle of London will be coming out here by the thousands. Immigration is going to be furthered, we are told, by this purchase. I notice that the estimates for Immigration and Colonization this year are $2,000,000 more than the estimates for the same purpose in 1921-1922. We are dealing in millions to-day as we used to deal with thousands formerly. Have the government lost all sense of the position of this country at the present time? Have they forgotten about the enormous deficits which have daily to be met? I quite agree with the hon. member for Brome (Mr. McMaster) that it is our duty to pare down to the bone everything that can possibly be pared. We must cut expenses as fine as we possibly can.

In view of what happened with regard to the item for $600,000 which was put through the House a few hours ago, I should not be at all surprised if the hon. member for Brandon (Mr. Forke), after a night's rest, would vote a different way from what he has intimated to-night. He did that on the $600,000 item, and will probably do it again.

Mr. FORKE: I challenge the hon. member's statement that I voted differently from what I said I would do.

Mr. SUTHERLAND: I understood the hon. member to say that if he was going to vote on this he was going to vote against it.

Mr. FORKE: I want your ruling, Mr. Chairman. The hon. member said that I voted differently from what I said I would do on the $600,000 item. I never made the statement that I would vote against that item.

Mr. SUTHERLAND: I may be a little in error in that. I think the hon. gentleman intimated that he would support a vote to reduce the item by $100,000, as I think Hansard will show; but he could not support a motion to reduce it by $75,000 or $50,000.

Mr. FORKE: I made the statement that the government might reduce it by $100,000, but I never made the statement that I would not vote for the $600,000 item.

Mr. SUTHERLAND: We have extracted, practically with a corkscrew, so much information from the government during the last hour that if the matter stands over for another day we may be able to get some more information regarding it. If this option was to expire to-night it shows why the government are so anxious to have this vote pass, the first item of the estimates they introduced into the House. Why were the government not frank? Why did they not inform us that an option had been secured on this property, and that it would expire at a certain time? But we have the assurance of the Prime Minister that the government are committed to this enterprise absolutely, and all that parliament is called upon to do is to vote the money. Is that treating parliament as it should be treated? Is the function of parliament merely to ratify what the government bring forward, even though the House is in session and has a right to be informed of all that has transpired? And the Minister of Public Works informs us that the option expires on the 25th March. Who are we to believe, the Prime Minister or the Minister of Public Works? One or the other is not correct in his statements. Consequently I say we are entitled to have the contract in this matter placed before us so that we may ascertain the facts. If we cannot take the word of members of the government in regard to a subject of this kind, we ought to have in our possession the document under which the country is committed to the expenditure before we pass this vote.

Mr. MacLAREN: Coming back to a question we discussed earlier in the evening, namely the facilities for gathering round this building the various provincial offices, I should like to ask what is the size of the adjoining lot, the lot occupied, I think, by the building of the College of Physicians. I have been in that building and my recollection of it is that the lot is not a large one. I should like to have information on that point if the minister is in a position to give it.

Mr. KING (Kootenay): I have not the dimensions of the adjoining lot. Some hon. members who have seen the building may be able to give that information.

Mr. MacLAREN: I did not hear the minister, will he please repeat his statement?

Mr. KING (Kootenay): I say I have not the extent of the adjoining lot, that information is not here.

Mr. MacLAREN: Well, that is a very important omission. If it is a small lot it will not be sufficiently large to permit the grouping of the various provincial offices of the Dominion and that, I believe, would cause profound disappointment in the country. I should like to have a clear understanding of the question as it stands. Has this property been bought or is it under option?

Mr. KING (Kootenay): There is an agreement to purchase.

Mr. MacLAREN: If the sale is not completed by March 25, what will happen then? Will the sale be off or are we still liable?

Mr. KING (Kootenay): We have agreed to buy.

Mr. BOYS: There are two or three matters I should like to submit. In the first place I can hardly think the minister, or the government, will want to put this item through without supplying some needed information. I think it will be admitted by everybody that we have a somewhat unusual situation in connection with this property. I am going to assume now that what we have is an agreement; if I am wrong I may be corrected. I think we ought to know the date of it, and who signed it. I presume the minister has a copy of the agreement before him, and I certainly should like to see it. I should

also like to see who signed the document on behalf of Canada. Further I should like to find out who sent the authority to London, if it was sent there, for the completion of this agreement. I presume, in the first instance that some person on behalf of the department, or the government, had an investigation made regarding this building, and the terms upon which it could be purchased. I also presume that information was sent over and was duly considered. I understand there was no order in council passed. Was there even a letter signed by the minister, or by any responsible person on behalf of the government, authorizing the closing of this contract? Now, who signed it pursuant to that letter, and under what authority? I think before we are asked to pass an item involving $1,300,000 we are entitled to this information. If it cannot be given now—the minister I see nods his head so I will be pleased to sit down in order to get the information. If there is no objection I should like very much if the minister would be good enough to let a copy of the agreement, or the agreement itself, be passed over here for us to look at.

Mr. KING (Kootenay): There was an agreement signed on the 26th June, 1923, between Charles Drummond, 49 Charing Cross, and General Sir William Henry Mackinnon, Sir Bertram Blakiston Cubitt, and Sir Lawrence Edward Halsey, on behalf of the trustees of the Union Club, and the Hon. Peter Charles Larkin, High Commissioner, on behalf of Canada.

Sir HENRY DRAYTON: What was the date?

Mr. KING (Kootenay): The date was 26th June, 1923.

Mr. BOYS: I appreciate that information which answers my question as far as it goes. But the minister has not given me any information regarding the nature of the authority sent to Mr. Larkin to sign the agreement on behalf of Canada.

Mr. MACKENZIE KING: If hon. gentlemen opposite really wished to get the true position of the matter they would have ascertained from my remarks a moment ago that in a transaction of this kind it is necessary for the government to trust to some agent and to have the negotiations carried on as quietly as possible. If you are negotiating a purchase for the government it does not do to proclaim the matter from the house tops, it is necessary to trust your agent or your representative in matters of the kind. I mentioned that last session the government discussed in the House the intended purchase of a building in London. The building we were trying to acquire at the time, or that we thought of acquiring, was Cox's Bank, the price, however, was much higher than we expected. It would have been a building that would have accommodated the different provinces as well as the federal government. We found that a commission was being claimed by a certain party in London on the purchase of that building, and as soon as the High Commissioner learned that a commission was to be made by someone he immediately ended the negotiations without further discussion. He then continued to see what might be possible with respect to the Union Club; he had been negotiating with respect to different buildings. In case the Cox building should not be acquired he had been inquiring also about the Union Club building, He did not know whether we could get the Union Club building. In connection with the acquisition of the Union Club building, it was necessary to have arrangements made with the club itself involving the taking of a vote on the part of the members whether they would dispose of the Club building. Matters of that kind rendered necessary the giving of some assurance on the part of the government that the building would be acquired subsequently, and the government authorized Mr. Larkin to proceed with the negotiations, to keep us informed as to the price at which the building could be obtained, and he would receive further advice as the government got additional particulars. At each step of the negotiations, Mr. Larkin kept the government informed by cable and he received his replies by cable. He made the agreement for the purchase. He is the High Commissioner for Canada. If any government official is entitled to the confidence of the government and the country, it is surely the High Commissioner of this country in England. If there is one business man above another who has had experience in large transactions of the kind and who knows values in the matter of the purchase of a building, that person is the Hon. Mr. Larkin. The government had entire confidence in his judgment, business ability and acumen in this matter, and we therefore entrusted him to make what was necessary in the way of agreements to secure the purchase of the building.

Mr. CLARK: I have one observation to make on the Prime Minister's remarks. The government knowing that Mr. Larkin was going to purchase this building, knowing that he had been authorized to purchase and

knowing that he had actually signed a contract to purchase it, before the House prorogued last session, it seems a remarkable thing to me that the Prime Minister did not take the House into his confidence and tell us that a contract had been entered into.

Mr. MACKENZIE KING: May I answer my hon. friend right there? I think I said a moment ago that, in a transaction of this kind, several stages were necessary. Before Mr. Larkin could get the Union Club to vote on the question whether they would move to some other premises or not, he had to give some assurance that the building would be taken by the country if it were disposed of. That vote had not been taken while parliament was in session; if my recollection is correct, it was some little time before the matter was finally concluded.

Mr. CLARK: It appears from the date the minister gave us the contract was actually signed on the 26th June before the House prorogued.

Mr. MACKENZIE KING: No contract was signed. There was an agreement that the building would be purchased.

Mr. CLARK: An agreement is a contract and Canada was committed before the House prorogued, according to the information the House has in its possession now. If Canada was committed to an expenditure of $1,300,000, I still submit it is an extraordinary thing that the House was not so informed before it rose last session. Knowing the Prime Minister's declared policy, in regard to forcing votes or measures through this House without due consideration, I am sure he will be the last one to attempt to force this vote through to-night. Knowing also his distaste for sitting in the early hours of the morning, and knowing the great desire of our Progressive friends, who have all gone home, except eleven, to vote on any measures which will save the country—

Mr. McBRIDE: I would like to call the attention of the hon. member (Mr. Clark) to the fact that on one occasion I took the count in this chamber only two of his bunch were present.

Mr. CLARK: I would like to call the hon. member's attention to the fact that the tables are turned to-night. I will venture to say that on that occasion a million dollars were not at stake.

Mr. IRVINE: Let me point out that the Labour party is present in full force.

Mr. CLARK: In fairness to my hon. friends to my left who, I understand, are great economists and whose great ambition it is to see the expenditures of this country cut, I think proper opportunity should be given to them to gather here, to express their views on this subject and to vote. Therefore, I will move that the committee rise, report progress and ask leave to sit again.

Mr. HANSON: In view of the last remark made by the Prime Minister, I should like to ask him if we are in this position with regard to this purchase. Is it true that on the 26th day of June last the Hon. Mr. Larkin bound Canada to a contract for the purchase of this building, and that in that contract is contained a clause that it was subject to the ratification of members of the Union Club, but not subject to the ratification of parliament?

The CHAIRMAN: I would draw the hon. member's attention to the fact that there is a motion that the committee rise and report progress, a motion which is not debatable, and a vote must be taken on it.

Motion (Mr. Clark) negatived: Yeas, 30; Nays, 62.

Mr. HANSON: I should like to repeat the question which I put to the Prime Minister and which you ruled was out of order a few minutes ago.

Mr. MACKENZIE KING: I think hon. members will hardly expect me to be able to remember what took place on one particular day, the 26th or 29th or other specific day of the month.

Mr. MEIGHEN: The contract is here.

Sir HENRY DRAYTON: Why cannot the contract be read?

Mr. MACKENZIE KING: I have in my hand Hansard of last year which will show that the matter was being discussed at the time and what was under discussion. I read this at page 4630 of the House of Commons Debates:

Mr. Meighen: Has the government taken an option for the purchase of a building in London.

Mr. Mackenzie King: Not that I am aware of. As I said before my right hon. friend came in, negotiations were under way for the possible acquisition of the Cox Bank building. Those negotiations have been dropped, however, and I think the High Commissioner is at present considering the possibility of securing another building, but has not taken any official action upon it.

Mr. Meighen: No option has been secured?

Mr. Mackenzie King: I cannot say that an option has not been secured. I think the High Commissioner has arranged that at any rate before a certain building is disposed of he will be given the refusal of it. More than that I cannot say.

That was the Union Club building that I was referring to. I am reading from Hansard of June 29, 1923:

Mr. Baxter: Sir Henry Thornton may possibly have bought a castle or two in London, and perhaps the thing may come in that way.

Mr. Ross (Kingston): May I ask whether the question will be considered of assembling all the Canadian offices in London? It seems too bad that the Ontario office should be in the Strand, the British Columbia offices in Pall Mall, and the High Commissioner's office in Victoria street. In the Strand one finds practically all the Australian offices combined in one building, the result being splendid advertisement for Australia. It struck me as being too bad that a similar situation could not be created for Canada.

Mr. Mackenzie King: I am glad my hon. friend asked that question because he has reminded me of the fact that last year we tried to acquire the British Columbia building. The federal government would have been prepared to take that building over had the British Columbia government been willing to part with it, but they have found that in that large building, which is so favourably located, they have an excellent investment; as a matter of fact I think they are making money on it. The present situation is that Canada has a much inferior building to that maintained in London by one of its provinces. The federal government rents part of the British Columbia building for offices connected with immigration work. The government has felt that Canada has been handicapped as compared with the other dominions in having its offices scattered about in various buildings throughout London—not only the offices of the different provinces, but the different federal offices that were created during the war. The office which has to do with the soldiers' overseas work is in one part of the city. The Minister of Trade and Commerce has offices for his agents in another part of the city. The immigration offices are in still another part and the High Commissioner's offices are elsewhere. We felt that it was desirable to acquire a building in which all these offices could be brought together and which would be large enough also to accommodate the representatives of the different provinces, but that kind of a building in London is not easily acquired, and rather than make a purchase which would not meet with the general approval of the country we have proceeded slowly in the matter. But the object is to do the very thing my hon. friend has said—to acquire a building that will serve all these purposes in a way that will reflect credit on the country.

Sir HENRY DRAYTON: That was three days after the contract was signed?

Mr. MACKENZIE KING: The contract was not signed.

Sir HENRY DRAYTON: The committee will see the difficulty we are in. One moment we are told that the contract was signed on the 26th and now the Prime Minister says that on the 29th the contract was not signed. We are trying to get at the truth.

Mr. MACKENZIE KING: Let me quote again from the same page:

Mr. Meighen: No option has been secured?

Mr. Mackenzie King: I cannot say that an option has not been secured. I think the High Commissioner has arranged that at any rate before a certain building is disposed of he will be given the refusal of it. More than that I cannot say.

More than that I could not say then, because I had not the knowledge. These matters were under negotiation in the way I have indicated. My point is that the matter was discussed in a frank, open manner, and in view of the fact that the government having tried the year before to purchase the British Columbia building, but without success, and then having endeavoured to secure the Cox building, it was the duty of hon. gentlemen at that time, if they considered that we were not proceeding in the right way, to have said so.

Sir HENRY DRAYTON: Perhaps it would help matters considerably if we could see the contract. What mystery is there about the contract? We asked for its production an hour ago and while hon. gentlemen opposite have been reading it we have not been able so far on this side to see it. Why cannot it be produced?

Mr. MEIGHEN: We have a fine exhibition to-night of the authority of parliament. The Prime Minister was asked a year ago whether an option had been secured and he answered, no.

Mr. MACKENZIE KING: He did not answer, "no". Please tell the truth.

Mr. MEIGHEN: The Prime Minister is getting excited.

Mr. MACKENZIE KING: Not at all. The Prime Minister is by no means excited, but he has the right to ask any hon. member, not to say the leader of a party, to stick to the truth.

Mr. MACDONALD (Pictou): It is hard for him to do that.

Mr. MEIGHEN: Let me read what the Prime Minister said. I asked the following question:

Mr. Meighen: Has the government taken an option for the purchase of a building in London?

Mr. Mackenzie King: Not that I am aware of.

Mr. MACKENZIE KING: Let my hon. friend read further down:

Mr. Meighen: No option has been secured?

Mr. Mackenzie King: I cannot say that an option has not been secured.

Mr. MEIGHEN: Apparently the Prime Minister has two or three ways of answering a question, but it does not matter a fig what particular words he uses.

Some hon. MEMBERS: Oh, oh.

Mr. MEIGHEN: I do not see that there is much reason for the hilarity of hon. gentlemen opposite—evidently a million dollars does not matter much to them. The question

was asked whether an option had been secured, and it does not matter whether the Prime Minister answered yes or no, or whether he said, "I do not know," or "I am not aware." It does not matter at all, because we have the sense of his answer. He goes on to say that there were negotiations in regard to the British Columbia building, and so on, and that because he had talked in that frank, open way, therefore there was the authority of parliament to go ahead. Now this is seriously addressed to people who are supposed to be intelligent. I would not say that it was wrong for the government to negotiate for a building, but they could have come last session and asked for a vote. It would not have injured them in the least in their negotiations had they done so. Or they could have done something else in regard to which very little criticism could have been offered: they could have secured an option which could have been subject to approval by parliament. They could have done any of these things. They had no authority to do any of them, but there would have been no great criticism, because such things are frequently done. But this government has tied parliament hand and foot.

Mr. JACOBS: No.

Mr. MEIGHEN: Let us see the contract.

Mr. JACOBS: Parliament is not bound by the contract. Until parliament votes the money the contract is not worth the paper it is written on.

Mr. MEIGHEN: The money cannot be paid until parliament votes it, but the binding is there. Does the hon. member mean to say that parliament cannot be bound, and the honour of Canada bound, if the contract is not observed?

Mr. JACOBS: That contract was made subject to the money being voted by parliament.

Mr. MEIGHEN: Is that stated in the contract?

Mr. JACOBS: That is the law, and my hon. friend knows that it is not necessary to mention it in the contract.

Mr. MEIGHEN: I know it was necessary in the Yukon case.

Mr. JACOBS: We are not talking about the Yukon.

Mr. MEIGHEN: I am.

Mr. JACOBS: We are not discussing a post mortem.

[Mr. Meighen.]

Mr. MEIGHEN: I know that this country had to pay damages in that case; a government which my hon. friend supported paid damages just because there was no relief. But is it not remarkable that we cannot have a look at the contract? The honour of Canada is bound in this matter and the government has virtually admitted over and over again that the excuse is that there was some talk by the Prime Minister last session about the wisdom of getting a building. That is his authority to go ahead. Hon. gentlemen opposite are very much interested in the contract. One after another reads it, but hon. members on this side of the House are not allowed to see it. Why can it not go on Hansard to-night? Surely the people's representatives have a right to see just what the contract is.

Mr. McMASTER: If the contract is to be read at all let it be read audibly.

Mr. KING (Kootenay): This is the document:

An agreement made the 26th day of June, 1923, between Charles Drummond of 49 Charing Cross in the County of London, Esquire, General Sir William Henry Mackinnon, of 15 Ovington Square, in the county of London, G.C.B., K.C.V.O., Sir Bertram Blakiston Cubitt of the War Office, Whitehall, in the county of London, K.C.B., and Sir Laurence Edward Halsey, of 64 Elm Park Gardens, Chelsea, in the county of London, K.B.E., the Trustees acting for and on behalf of The Union Club (hereinafter called "the Vendors") of the one part and The Honourable Peter Charles Larkin, P.C., High Commissioner for Canada, 19 Victoria Street, in the county of London, acting for and on behalf of the Canadian government (hereinafter called "the Purchaser") of the other part

Whereby it is agreed as follows:—

1. The Vendors agree to sell and the Purchaser agrees to purchase for the sum of £225,000 all that piece of leasehold land situate in the Parish of St. Martin, in the Fields, in the county of London and being on the west side of Trafalgar Square, together with the messuage and buildings erected thereon and known as the Union Club House as the same is held under a Crown lease dated the 6th day of June, 1904, and made between the late King's Most Excellent Majesty of the first part, John Francis Fortescue Horner, the Commissioner of His Majesty's Woods of the second part, and the said Charles Drummond and others, the then Trustees of the Union Club of the third part for the residue of the term of 60 years from the 5th day of January, 1903, at the yearly rent of £2,000 and subject to the covenants on the part of the Lessee and conditions therein contained.

2. The Purchaser having this day paid to the Vendors the sum of £100 as a deposit and in part payment of his purchase money on the 25th day of March, 1924 (or on such earlier day as the Vendors may by not less than 21 days previous notice in writing to the Purchaser state that they can give him vacant possession) at the office Number 1 Bedford Row, London, of Messrs. Rawle Johnstone and Company, the Solicitors of the Vendors at which time (whichever be the earlier date) and place the purchase shall be completed and the Purchaser paying the balance of his purchase money shall as from

that day be let into possession and pay all outgoings and discharge all liabilities of the Vendors under the Lease and up to that day all rent rates, taxes and other outgoings and liabilities except any liability for outside painting (the cost of which shall fall upon the Purchaser) shall (if necessary) be apportioned and the balance shall be paid by or allowed to the Purchaser on completion and if from any cause whatever other than wilful default on the part of the Vendors the completion of the purchase is delayed beyond the day fixed for completion the balance of the purchase money shall bear interest at the rate of £5 per centum per annum from that day to the day of actual payment thereof Vacant possession shall be given to the Purchaser not later than the 25th day of March, 1924, but the Vendors will give such possession on the earliest date reasonably possible Provided that if the Vendors shall be unable to give vacant possession to the Purchaser on the said 25th day of March, 1924, the Purchaser at his option may give notice in writing to the Vendors that unless vacant possession is given within 21 days from the date of the notice the Purchaser will rescind this Agreement in which case the Vendors shall within one week thereafter repay to the Purchaser his deposit money which shall be accepted by him in satisfaction of all claims on any account whatever and the Purchaser shall return forthwith all abstracts and papers in his possession belonging to the Vendors.

3. The Purchaser shall within fourteen days after delivery of his Abstract send to the said Messrs. Rawle Johnstone and Company a statement in writing of all the objections and requisitions (if any) to or on the title or evidence of title or the abstract or this agreement and subject thereto the title shall be deemed accepted and all objections and requisitions not included in any statement sent within the time aforesaid shall be deemed waived and an abstract though in fact imperfect shall be deemed perfect except for the purpose of any further objections or requisitions which could not be taken or made on the information therein contained and an answer to any objection or requisition shall be replied to in writing within ten days after the delivery thereof and if not so replied to shall be considered satisfactory and time shall be deemed in all respects as of the essence of this clause. If the Purchaser should take any objection or make any requisition which the Vendors are unable or on the ground of expense unwilling to remove or comply with and the Purchaser should not withdraw such objection or requisition within ten days after being required so to do the Vendors may by notice in writing delivered to the Purchaser or his Solicitor and notwithstanding any intermediate negotiation or litigation rescind this Agreement and shall within one week after such notice repay to the Purchaser his deposit money and the Purchaser shall return forthwith all abstracts and papers in his possession belonging to the Vendors and shall not make any claim on the Vendors for costs or otherwise.

4. The Vendors are the registered Proprietors under the Land Transfer Acts 1875 and 1897 with a good leasehold title. The Purchaser shall be entitled to a copy of the subsisting entries on the Register relating to the property and to a copy of or sufficient extract from the field plan and to a copy or Abstract of the said Lease and of any documents of title prior to the Land Certificate and the Vendors will give to the Purchaser an authority in writing to inspect the Register. The said Lease under which the property is held or a copy thereof having been already produced to the Purchaser's Solicitor the Purchaser shall be deemed to purchase with full notice of the contents thereof and of the state of the property as to repairs insurance party walls and all other matters.

5. The statutory declaration to which the purchaser is entitled under section 16 of the Land Transfer Act 1897 as regards matters declared by the Acts not to be incumbrances shall be prepared by and at the expense of the purchaser.

6. The receipt for the last rent accrued due previously to the date fixed for the completion of the purchase in respect of the property shall unless the contrary shall appear on the face thereof be accepted as conclusive evidence of the performance and observance of all the covenants and conditions in the lease under which the same is held or of the effectual waiver of any breach (whether continuing or not) of any covenant or condition up to the actual completion of the purchase without proof being required of the title or authority of the person giving such receipt.

7. Upon payment of the balance of the said purchase money at the time and place aforesaid the Vendors will execute to the Purchaser a proper Transfer of the property and at the same time deliver to him the Land Certificate and lease. The transfer shall be prepared by and at the expense of the purchaser and shall be left at the office aforesaid for execution by the Vendors not less than ten days before the day appointed for completion. The Vendors being Trustees will give only the usual implied covenant against incumbrances.

This agreement is conditional on the consent of the Ground Landlord (if any such consent is necessary) being obtained to the assignment and on a resolution being duly passed by the members of the Union Club at an extraordinary general meeting to be held on the 12th day of July 1923 approving this present sale and on the Vendors or the purchasers obtaining from the Ground Landlord his license to enable the Canadian government to carry on its business upon the said premises. And if consent is not obtained or such resolution is not passed within 3 calendar months from the date hereof or such extended period as the purchaser shall consent to or if from any cause other than the default of the purchaser such license shall not be granted by the Ground Landlord before the day fixed for completion this agreement shall be void and in that event the Vendors shall forthwith repay to the purchaser his deposit money which shall be accepted by him in satisfaction of all claims on any account whatever. A certificate signed by the Secretary of the club certifying whether or not such a resolution as aforesaid has been passed shall be accepted as sufficient evidence of the fact and of the fact that the meeting at which the resolution was submitted was duly convened and if passed that the same was duly passed.

9. The purchaser shall comply with any conditions required by the Ground Landlord to enable the Vendors to obtain the said license including the preparation of plans and specifications if required and shall pay all sums payable to the Ground Landlord in respect of the said license in excess of £21.

As witness the hands of the parties the day and year first above written.

Signed by the said Charles Drummond in the presence of T. R. Johnson.

CHARLES DRUMMOND.

Signed by the said General Sir William Henry MacKinnon in the presence of T. R. Johnson.

WILLIAM HENRY MACKINNON,
General.

Signed by the said Sir Bertram Blakiston Cubitt in the presonce of T. R. Johnson.

BERTRAM BLAKISTON CUBITT.

Signed by the said Sir Lawrence Edward Halsey in the presence of T. R. Johnson.

L. E. HALSEY.

That is the agreement.

Sir HENRY DRAYTON: It is to be observed, Mr. Chairman, the fidelity with

which the trustees of the Union Club discharged their trust, it is to be observed that they took very good care that their shareholders were to have the opportunity of saying whether they liked the contract or not, and this is all the more noticeable when we observe the absolute failure on the part of our representatives to incorporate a similar provision for securing the approval of the parliament of Canada. The case is worse than where there has been an ordinary overriding of parliament, because not even ignorance can be pleaded here. You have gentlemen on the one side who are looking after the people whom they represent and are making sure that their rights are protected, while no such degree of consideration is given in connection with Canada. The hon. member for George Etienne Cartier said a good deal about the country not being bound. In one sense he is quite right, but in the other sense is there anything at all in what he says? There is an absolutely hard and fast, carefully drawn agreement which entirely binds the Canadian High Commissioner. Why the country is without any plea, the government is without any plea as against him. They told him to do it, so that the commissioner certainly is bound, and the government is in honour bound to make good any loss that he might suffer in connection with a transaction which he put through under their instructions. So we know what this contract is; it is exactly what was suggested before. I wonder if the Prime Minister thinks he should force a vote on this question now.

Mr. MACKENZIE KING: If I felt for one moment that hon. members had not had ample opportunity to discuss the matter I should certainly say that such further time should be granted as might be necessary for the purpose. I am very sincere when I say that the government is anxious to get on with the business of the country. We have spent a good deal of time over one or two items and we would like to get this estimate through to-night. I am not going to try to force it through, but I do submit that in the interests of the country, in the interests of economy, of which my hon. friends opposite have been speaking so much, it is desirable that the government should get the estimate through. The government will take the full responsibility for its action in this matter. This building could not have been acquired in any other way and the government, having all the circumstances before it, took the course which it believed to be in the public interest. My hon. friend says that the Union Club protected itself, and asks why some clause was not put in the agreement under which the parliament of Canada at such and such a time should exercise certain rights. If that clause had been put in, the agreement never could have been signed. There was just one chance of the government being able to secure that property, and it was a question of the government giving the High Commissioner the latitude which was necessary to enable him to make the purchase. We believed that the purchase would commend itself to the country, and knowing all the circumstances we felt that we were taking the right course in authorizing the High Commissioner to make the agreement that was entered into. If that agreement is not honoured certainly the country is not honouring its obligation. The government feels bound to stand by its obligation. As I say, we cannot be a government if we have no authority. If I had not discussed the matter fully last session and intimated what we were contemplating at that time, I would bow in a moment to what has been said about trying in any way to ignore parliament. But I submit that we have gone very fully into the matter; we have taken parliament into our confidence and have made a bargain which I believe the people of Canada will regard more and more as the years go by as one of the best investments which could have been made for the country.

Sir HENRY DRAYTON: My right hon. friend appeals to me on the ground of economy. If I answered him from the same point of view I would have to tell him frankly that the cheapest way out of this difficulty is to pay your damage and refuse the vote.

Mr. MACKENZIE KING: We need the building; we have no premises. My hon. friend forgets that the lease of the building we were in had expired, and that we had to rent temporary quarters in the meantime. These are all factors that bear on the situation.

Mr. SUTHERLAND: Could the lease not have been renewed?

Mr. MACKENZIE KING: It could have been renewed for another seven or eight years, but it was thought unwise in the interests of Canada to renew a lease on Victoria street for that further period.

Mr. SUTHERLAND: Could it not have been renewed for five years?

Mr. MACKENZIE KING: No.

Mr. SUTHERLAND: I think the Prime Minister intimated earlier in the discussion that it could.

Mr. MILLAR: There is one matter on which I would like some information, and it is information upon which my vote in the matter will depend. Could this property have been secured on an option.

Mr. MACKENZIE KING: From what Mr. Larkin has told us I do not think the property could have been secured in any other way. I think he had to be in a position to assure the Union Club that the government would take the property if the membership of the club gave the executive permission to sell. That was the only way he could get it. The property being what and where it is, situated, as has been intimated to-night, on Trafalgar Square, the leasehold being from the Crown—taking all these facts into consideration, and having in mind that we were getting a site not for a day but for years and possibly centuries to come, the government felt justified in authorizing Mr. Larkin to proceed.

Mr. MEIGHEN: Was a copy of the contract—I mean a duplicate—handed over to the trustees of the Union Club at the time of execution?

Mr. KING (Kootenay): I suppose so.

Mr. MEIGHEN: The Prime Minister seeks to persuade us that the government simply had to proceed as it did; that otherwise a great chance might be lost forever; that we had to do it, though we had not the vote of parliament, though we had not the slightest semblance of authority. Well, it does seem to me that the correspondence that led up to what finally authorized the execution of an agreement on that basis should be brought down. I must admit for my part that it does not matter what the correspondence is, no government had the right to tie this country to an expenditure of that sort, placing the High Commissioner in a position where he had to put up every cent, having no authority from parliament to proceed. The government knew that the lease was expiring; if they felt it was a fearful thing to stay on in this place why did they not come last session and ask for a vote of parliament? That is the procedure that is followed every session. We may plan to erect a public building here or there, we do not know just on what site; a vote of parliament is asked for, and on that vote the government proceeds. In this case nothing is asked for at all; the government, in effect, affixes the seal of this Dominion to a contract involving the expenditure of a vast sum of money, and parliament is in the position of helplessly having to support it—except as regards those who want to protest against that method of carrying on the public business. I think we ought at least to have the correspondence, and further I think that every hon. member owes it to the country to record himself in this matter. We should not come to a decision to-night but rather at a time when hon. members can be present and record themselves yea or nay.

Mr. CHAPLIN: What was the date of the contract?

Mr. MEIGHEN: The twenty-sixth of June.

Mr. MACKENZIE KING: The House will remember that a year ago last November or December the hon. Minister of Finance (Mr. Fielding) was in England; he had been at the conference in Geneva and was subsequently in London. While in London he took this matter up with the High Commissioner. The Minister of Finance was himself very strongly in favour of the purchase of the Grand Hotel, which is on the other side of Trafalgar Square, and that was one of the buildings which the government thought of acquiring. We found, however, that to purchase the Grand Hotel would mean an expenditure away out of consideration, and that project was not pursued any further The Minister of Finance, I think, is as careful of the honour of the country, of the responsibility of the Ministry to parliament, as any hon. member of this House has ever been or ever will be, and the Minister of Finance was present in the cabinet when all these transactions were discussed, was a party to the communications that were sent to Mr. Larkin, and I think he would have been the first had he thought it was in the public interest to disclose the fact that Canada was seeking to make this purchase, to have placed a sum in the estimates at the time .My right hon. friend the leader of the opposition (Mr. Meighen) asks why we did not put it in the estimates. He knows why we did not. We were trying to make the best bargain possible for this country, and if a cable despatch had gone from Canada to England that the Canadian government was appropriating $1,500,000 for the purchase of a building in London that would have ended in five minutes all the negotiations Mr. Larkin was making with any hope of getting a contract consummated at a reasonable figure. I ask hon. members as business men to concede to the government the right to proceed in these matters with the same degree of caution and in the same manner as they would

proceed in their own private business transactions when carried on in a large way. If they are prepared to do that, I think they will agree that the government in this matter have had the public interests to the fore at every stage of the transaction.

As to the matter of bringing down correspondence there is no reason why all the correspondence should not be brought down, but unless hon. gentlemen are merely seeking to obstruct this vote there is no reason why it should not go through to-night. If there is anything in the correspondence or in the transaction for which the government should be condemned hon. members will have the rest of the session to bring in a resolution in regard to that, but I do submit that if we are to save the money of this country by getting through with the business of parliament, and we have spent a good part of the day on this one item already, it would be quite justifiable to have this vote go through to-night rather than have the matter held up further.

Mr. STEVENS: May I point out to the Prime Minister that any delay there has been was the result of the government not being frank with us. Let me give to him exactly what we were told when this discussion opened on Thursday. After reciting a lot of matter that was not germane to this immediate point the minister went on to say:

> Investigations were carried on in regard to that building but the price was considered higher than we were prepared to pay. Later on the High Commissioner suggested that the Union Club building could be secured, and this estimate is for the purpose of purchasing that building.

A very innocent remark, but why did not the minister produce the contract and tell us exactly what the Prime Minister has told us in the last half hour or so. If he had done so, I venture to say there would have been far less discussion, whatever our views may have been. It has not been by obstruction but only by persistent cross-examination that we have been able to get the information that should have been produced by the government without a question being asked as soon as the vote was called. This information and this contract should have been before parliament at that time and the Prime Minister must bear me out in this, that it is only by the most persistent cross-examination that we have been able to obtain only the most ordinary information that is given upon all items that come up for discussion. That is what we complain of, and that is what our criticism of the government is, as much as the other phase of the question, the inadvisability of the purchase as well as the fact that the purchase does not represent what the government hopes it will accomplish. That I persist in reiterating. If it did, there might be some justification for the government's persistence, but it will not accomplish it, and personally I think the government deserves censure for the manner in which this whole vote has been handled on Thursday and to-day. There has been nothing but a resistance against getting the most ordinary information.

Mr. ROSS (Kingston): I wish to say that my vote in opposition to this is not with the intention of obstruction. I
1 a.m. took the position last year. and I think my question last year will show it, that I considered the proposition was to enter into the purchase of a building which would represent all Canada and combine all the provincial offices. That was distinctly stated. Now we are not told to-night that any effort has ever been made to get together all the provinces except the province of British Columbia. I wish to point out further that if this building is purchased it forever prevents us realizing the vision we had of all getting together, because there is not accommodation there for the provincial offices, and it will simply mean that the Dominion government will be in one office and the provincial offices will be spread all over London. If we purchase this building we are preventing the realization of that vision we had, and which we all want to see realized.

Amendment negatived. Yeas, 31; Nays, 56.

The CHAIRMAN: The question is on the main motion.

Mr. MEIGHEN: The item includes the three figures?

The CHAIRMAN: The first two items have passed, and the question is now on the last item for the Canadian building in London.

Mr. MEIGHEN: I wish to have a vote on that.

Mr BOYS: I understood the Prime Minister to say that he would lay the correspondence on the Table to-morrow if a vote was taken to-night. Is it understood that that correspondence will be laid on the table to-morrow?

Mr. MACKENZIE KING: Yes.

Item carried on division. Yeas, 57, Nays, 32.

Progress reported.

On motion of Mr. Mackenzie King the House adjourned at 1.01 a.m. (Wednesday).

Wednesday, March 26, 1924

The House met at three o'clock.

CANADIAN BUILDING IN LONDON

Right Hon. W. L. MACKENZIE KING (Prime Minister): I promised hon. gentlemen opposite last night that I would lay on the Table to-day the correspondence between the government and the High Commissioner with respect to the London building. The correspondence is being copied and I hope to have it on the Table before the House rises. I might mention one circumstance in connection with the matter. Hon. gentlemen will realize that as between myself and the High Commissioner there are many letters which deal with a large number of topics and which are written sometimes with a good deal of freedom of expression. I doubt whether it would serve any useful purpose to have those letters placed in full on the Table of the House, but I assure the House that any facts relative to the building will be brought down.

Mr. MEIGHEN: I presume that the Prime Minister proposes laying on the Table the actual contract.

Mr. MACKENZIE KING: All the correspondence that has passed between the government and Mr. Larkin will be laid on the Table.

Mr. MEIGHEN: But I mean the contract; it has never been submitted.

Mr. MACKENZIE KING: Yes, certainly.

UNITED CHURCH OF CANADA

Mr. PRESTON ELLIOTT (Dundas): I desire, Mr. Speaker, to present the petition of the Rev. John D. Cunningham, M.A., one of the plaintiffs in the action of Cunningham et al. versus Pidgeon et al. protesting against the petition filed praying for the passing of an act to incorporate the United Church of Canada on the ground that the said petition is not in conformity with the standing orders of this House.

QUESTIONS.

(Questions answered orally are indicated by an asterisk).

CANADIAN NATIONAL RAILWAYS —TORONTO BUILDING

Mr. BOYS:

1. What were the total rents paid during each year by tenants of the building at the northwest corner of King and Yonge streets, Toronto, and purchased by the Canadian National Railways, for the years 1920, 1921, 1922 and 1923?

2. What were the taxes payable on the said building and the ground on which it is erected for each of the said years?

3. What rental was charged the Grand Trunk Railway Company for its tenancy of a portion of the said building for each of the said years?

Hon. Mr. GRAHAM:

1. At date of expropriation, February 23, 1923, the following annual rentals were in force:

Grand Trunk Railway Co.—		
Ground floor	$32,500	
First floor	1,000	
		$33,500
Other tenants—		
Ground floor		22,200
Other floors		20,782
		$76,482

As leases have fallen in the entire building has been gradually taken over for railway purposes. For this accommodation the Canadian National Railways are being charged the following rentals:

Entire ground floor and basement	$54,215
Upper floors	41,931
	$96,146

In purchasing property Imperial Bank had been obliged to take over certain improvident leases on the upper floors on which they estimated their loss to be $20,000 per year. The rental charged the railway for the upper floors is computed at $3.00 per square foot per annum, which is the same rental as the railway has been paying for premises elsewhere.

2. So far as the department is aware there has been no change in assessment and the taxes payable in 1923 were $18,000.

3. On expiration of lease former owners increased Grand Trunk rental by $5,000 in December, 1922, for privilege of remaining another year. Grand Trunk rentals prior to increase $28,500; subsequent to increase $33,500.

AGRICULTURAL PUBLICATIONS

Mr. COOTE:

1. How many reports, bulletins, or other publications were issued by the Department of Agriculture, in each of the last five fiscal years, and what was the total cost of same in each year?

2. What amount was paid by the Department of Agriculture for advertising during the first nine months of the fiscal year 1923, and to whom were these payments made?

Hon. Mr. MOTHERWELL:

1.

	Number of publications, of all kinds, printed	Cost	Number Distributed
1919-20	2,509,750	$72,199 78	2,394,444
1920-21	2,554,300	78,906 56	1,957,563
1921-22	3,043,550	88,868 63	3,082,231
1922-23	3,794,150	93,224 00	2,978,285
1923-24 (8 months)	2,463,800	63,513 82	2,624,600

2. Amount.	Name and City.
$ 25 00	Canadian Veterinary Record, Toronto.
208 02	Canada Gazette (London), Montreal.
901 20	Canada Newspaper Co., London, Eng.
4 90	Cochrane Morning Post, Cochrane.
5 00	Daily Times Journal, Ft. William.
*51,290 28	James Fisher Co. Ltd., Toronto.
69 00	Herald Printing Co., Miami, Man.
2 70	Herbert Herald, Hebert, Sask.
2 72	Independent, Grimsby.
1 32	Independent, Biggar, Sask.
14 76	Island Guardian Pub. Co., Charlottetown.
158 75	Journal Publishing Co., Summerside.
4 00	Journal of Agriculture, Montreal.
3 00	Kerrobert Citizen, Kerrobert, Sask.
2 40	Kamloops Press, Kamloops.
4 80	Kelowna Courier, Kelowna.
46 80	Leader Printing and Publishing Co., Carman, Man.
2 00	Lloydminster Times, Lloydminster, Sask.
15 75	Le Soleil, Ltd., Quebec, Que.
13 56	L'Evenement, Quebec, Que.
208 50	Manitoba Free Press Co., Ltd., Winnipeg.
3 92	Morden Times, Morden, Man.
4 20	The Nugget, North Bay.
3 20	Observer, Salmon Arm.
5 00	Optimist Printing and Publishing Co., North Battleford.
10 05	Patriot Publishing Co. Ltd., Charlottetown.
4 80	Penticton Herald, Penticton, B.C.
31 20	Rowland News, Rowland, Man.
6 00	Review Publishing Co., Summerland.
†2,832 21	R. C. Smith and Son Ltd., Toronto.
5 88	Sault Daily Star, Sault Ste. Marie.
5 00	Stephenson & Son, New Liskeard.
3 60	Tugaske Globe, Tugaske, Sask.
3 75	Vernon News, Vernon, B.C.
250 00	Winnipeg Newspaper Union, Winnipeg.
300 00	Wilson Publishing Co. Ltd., Toronto.
6 00	Weyburn Review, Weyburn, Sask.
2 40	Western Canadian, Manitou, Man.
1 00	Wilkie Press, Wilkie Sask.
$56,462 67	

* This is an advertising agency through which advertising was placed in the press of Canada generally.

† This is an advertising agency through which advertising was placed in the Agricultural Press of Canada.

CANADIAN GRAIN VIA PORTLAND

Mr. MICHAUD:

How many bushels of Canadian grain were shipped through the port of Portland, Maine, during the years 1918, 1919, 1920 and 1921?

Hon. Mr. LOW:

Calendar year	Bushels
1918	20,755,240
1919	15,873,522
1920	9,967,333
1921	12,184,027

CANADIAN NATIONAL RAILWAYS—DIESEL LOCOMOTIVE

*Mr. SINCLAIR (Oxford):

1. Have the officials of the Canadian National Railways made an investigation of the practicability of the Diesel locomotive?

2. If so, has a report in this connection been handed to the Minister of Railways?

3. Will such report be laid upon the Table of the House with such other information on the subject as he has in his possession?

Hon. Mr. GRAHAM: Mr. Speaker, this is something of which I know but little. No such report has been handed to the Minister of Railways. If such a report has been made to the Canadian National Railways Board, certainly the government has no objection to laying it on the Table. I will make inquiries.

PORT NELSON WORKS

Mr. BIRD:

1. What is the amount, in cubic yards, of the dredging that will be required before ships can dock at Port Nelson?

2. What work remains to be done in order to complete the artificial island at Port Nelson, and what is the estimated cost of this work?

Hon. Mr. GRAHAM:

1 and 2. Statement of Estimated Cost of Harbour Work at Port Nelson, to accommodate ten 7,000 ton ships:

Entrance channel end island to opposite Alette 20′ below low water, earth & boulders, 1,570,000 yds. at $1.50	$ 2,355,000	
Along dock face on island 4,400 ft. to 30′ below low water O.S.T. earth and boulders 2,700,000 yds. at $1.00	2,700,000	
5,400 ft. to 15′ below low water O.S.T. earth and boulders 1,200,000 yds. at $1.00	1,200,000	
4,000 ft. dock walls at 77 yds. 308,000 at $12.00	3,696,000	
Sinking and preparing crib seats 308,000 at $4.00	1,232,000	
3,000 ft. rear crib at 25 yds. 75,000 at $12.00	900,000	
4,000 ft. anchorage crib 12 yds., 48,000 at $12.00	576,000	
Anchorage bolts 4,000 ft. at No. 200 800,000 at 14c	112,000	
Filling of Island above elev.-7 1,200,000 at 50c	600,000	
	600,000	
		7,116,000
4,000,000 bushel elevator at $1.15 per bushel	4,600,000	
Railway yard and terminal buildings	400,000	
		5,000,000
Lighthouse crib at entrance of harbour	300,000	3,000,000
		18,671,000
Add 10 per cent for Engineering Management		1,867,000
Total		$ 20,538,000

MR. W. T. R. PRESTON

Mr. MAYBEE:

1. What positions have been held by Mr. W. T. R. Preston since the present government came into power?
2. For how long has he held each position?
3. How much in remuneration and expenses has he drawn in each position?
4. Is he still in the employ of the government?
5. If so, just what is he doing and what does he receive?

Hon. Mr. COPP:

1 and 2. (a) Special investigator in regard to matters concerning the grain freight rates on the Great Lakes, from October 14, 1922 to January 19, 1923. (b) Secretary to the Royal Grain Inquiry Commission on lake grain freight rates, from January 17, 1923 to May 23, 1923. (c) Appointed to investigate alleged discrimination in freight rates covering Canadian shipments from Atlantic seaports, and also regarding the alleged combines in connection with such shipments in marine insurance, from February 28, 1924 to date.

3.

	Remuneration	Expenses	Total
(a)	$1,365.00	$926.58	$2,291.58
(b)	3,810.00	1,500.41	5,310.41
(c)	Nothing to date.		

4, Yes.

5. He is engaged in the investigation of alleged discrimination in freight rates covering Canadian shipments from Atlantic seaports, and also regarding the alleged combines in connection with such shipments in marine insurance.

PHYSICIANS, D.S.C.R.—OTTAWA

Mr. BLACK (Yukon):

How many medical doctors in Ottawa are in the employ of the Department of Soldiers' Civil Re-establishment?

Hon. Mr. BELAND:

	Full Time	Part Time	Total
(a) At Head Office, Ottawa	7	–	7
(b) At Headquarters of Eastern Ontario Unit, Ottawa	*5	**6	11
	12	6	18

*Includes 2 pension medical examiners.

**Represents number of specialists retained on a part-time salary basis for treatment of patients who also render services in connection with pension examinations.

ST. MARGARET'S BAY ROAD

Mr. JONES:

1. How much, if any, federal money has been paid out of the good roads appropriation towards the St. Margaret's Bay road in Nova Scotia?
2. Does the amount paid represent forty per cent of the cost of production? If not, what per cent?
3. How many miles have been constructed upon which the Dominion payment is applicable?
4. If nothing has been paid, is it intended that any Dominion money shall be contributed toward this road?

Hon. Mr. GRAHAM:

1. $136,091.49.

2. Total outlay $459,789.09; Federal subsidy restricted to 40 per cent of $340,228.72, as recommneded by the Chief Engineer of the Highways branch as being reasonable and

necessary cost in accordance with the requirements of the Canada Highways Act.

3. 17.5 miles.

4. Answered by No. 1.

CANADIAN NATIONAL RAILWAYS—THE BOARD

*Mr. SENN:

1. Has the government of Canada appointed a representative of agriculture on the Board of Directors of the Canadian National Railways?

2. If not, is the subject being considered?

3. If so, to whom was the appointment given?

Hon. Mr. GRAHAM: The members of the Canadian National Railways Board have not been appointed with reference to their calling or any particular class, but rather with reference to the district in which they reside.

CIVIL SERVICE RETIREMENT FUND —INCOME TAX

Mr. HANSON:

1. Which department of the government controls and manages (a) The Retirement Fund of the Civil Service; (b) The Dominion of Canada Income Tax?

2. Is not the retirement fund made by retaining approximately 5 per cent per annum, or some other percentage, from the salary of each civil servant employee in the service of the government of Canada?

3. Is not this amount retained without the consent of the civil servant from whose salary it is deducted, and in some cases contrary to his expressed wish in that regard?

4. Are not the salaries of the civil servants of Canada paid from the Consolidated Revenue Fund of Canada?

5. Are not the allowances paid on the retirement of a civil servant, paid from the Consolidated Revenue Fund of Canada?

6. Do not the amounts retained by the government for such salaries for the purposes of the retirement fund remain a part of the Consolidated Revenue Fund of Canada until they shall have been paid over after the retirement or death of the civil servant from whose salary they were retained?

7. Has the civil servant from whom said amount is deducted for said purpose while he remains in the service any control over or management of the money so retained?

8. As a matter of practice does the government recognize the right of a civil servant who dies while in the service to give effective testimentary disposition of the sum or any part thereof?

9. Does the government recognize the legal claim, enforcible at law, enabling the devisee, executor or administrator or any of them to collect this amount or any part thereof?

10. What orders in council have been passed and are now effective with regard to this fund and what are their provisions?

11. What is the total amount of the fund at the present time?

12. What amount approximately was assessed against civil servants on account of this fund in the years 1922 and 1923 respectively and how many civil servants were affected by said assessment?

13. Does the Commissioner of Taxation assess as income any, and if so what portion, of the amounts so retained from civil servants and remaining in the Consolidated Revenue Fund?

14. Does the Commissioner of Taxation tax a civil servant on income on any portion of the retirement fund while it remains part of the Consolidated Revenue Fund of Canada?

[Mr. Graham.]

15. In the event of the Commissioner of Taxation assessing and collecting income tax on the yearly amount retained from the nominal salary of a civil servant for the retirement fund, if the civil servant subsequently retires from the service, is the whole amount again assessed as the income of the recipient when paid over to him after he leaves the service?

16. If a civil servant dies while still in the service and the amount retained from his salary during his lifetime for the retirement fund is paid from the Consolidated Revenue Fund of Canada to some members of his family, is the recipient assessed on the amount as his or her income?

17. Does the government intend to repay to the civil servants or their dependents affected either at retirement or death the amount so assessed and collected from them?

Hon. Mr. ROBB:

1. Finance.

2. Yes, from those to whom Part 11 of Chap. 17 R. S. applies.

3. Yes.

4. Yes.

5. Yes, with the exception of payments from Superannuation Fund No. 2.

6. They remain part of the Retirement Fund.

7. No.

8 and 9. Provision for payment on death is made by Sec. 30, Chap. 17, Revised Statutes.

10. None.

11. $12,139,995.56.

12. Amount reserved from salaries: 1922, $1,308,562.94; 1923, $1,662,751.88; number contributing at March 31, 1922, 20,172; 1923, 20,936.

13. Yes. The amount retained from the civil servant who is liable to taxation.

14. Yes, to the extent of interest placed to the credit of the civil servant who is liable to taxation.

15. No.

16. No.

17. Payments from the retirement fund are authorized by sections 29 and 30, Chap 17, Revised Statutes.

ACCREDITED HERD TESTING

Mr. KELLNER:

1. How many veterinary inspectors are engaged in accredited herd testing in each province?

2. How many cattle were tested in each province during the last fiscal year?

3. Of those that reacted after the first test and were not slaughtered, what percentage reacted when given the second test?

4. Of the cattle reacting and slaughtered, what percentage were reported afflicted with tuberculosis by the carcass inspector at the plant?

Hon. Mr. MOTHERWELL:

1. The number of veterinary inspectors available for accredited herd work, as required, on March 1st, 1924:

Prince Edward Island	3
Nova Scotia	1
New Brunswick	3
Quebec	19
Ontario	29
Manitoba	18
Saskatchewan	12
Alberta	14
British Columbia	7
Total	106

Veterinary Inspectors are not detailed to deal exclusively with accredited herd testing, but also handle such work as municipal testing, mange, hog cholera and glanders inspection, as required.

In some provinces the amount of accredited herd testing is but a fraction of the work performed.

2. Fiscal year ended March 31, 1923.

Prince Edward Island	900
Nova Scotia	515
New Brunswick	537
Quebec	14,306
Ontario	20,152
Manitoba	8,253
Saskatchewan	2,951
Alberta	3,298
British Columbia	1,636
Total	52,548

3. In the fiscal year ending March 31, 1923, and under the accredited herd plan, only one animal, which reacted after the first test and was not slaughtered, was retested. It did not react to the second test.

Of 5,586 animals slaughtered as reactors, 1,232, or 22 per cent, did not react to the first test but reacted to the second, or subsequent tests.

4. 91.8 per cent of cattle reacting and slaughtered under the accredited herd plan in the year ending March 31, 1923, showed visible lesions of tuberculosis on post mortem examination by veterinary inspectors.

NATIONAL DEFENCE EXPENDITURES

Hon. E. M. MACDONALD (Minister of National Defence): Mr. Speaker, with the consent of the House, I should like to answer a question put by my hon. friend the leader of the Progressive party (Mr. Forke) yesterday when I was not in the House, as to whether the government were taking into consideration the rate of expenditure for military purposes in Canada compared with such expenditure by the other dominions. In order that the facts may be made clear, the per capita expenditure in February last was as follows:

Canada	$ 1.46
New Zealand	2.33
South Africa	2.92
Australia	3.30
Great Britain	15.32

It will be observed that ours is the lowest expenditure per capita of any of the self-governing dominions.

PENSIONS TO EX-MILITIA MEN

Mr. BLACK (Yukon):

Is it the intention of the government to increase the amount of pensions now paid to former members of His Majesty's forces, their widows and dependents, by the amount of the bonus now paid in addition to pensions, making the permanent pension equal to present pension plus bonus?

Hon. Mr. BELAND: This question was answered on Monday last.

Mr. BLACK (Yukon): I understood the reply was that the answer was under consideration.

Mr. BELAND: The answer was, that the matter was under consideration. I think my hon. friend will have to withdraw the question and put it on the order paper at some other time.

HEARING DEBATES.

FORMAL REQUEST FOR GREATER ATTENTION TO AUDIBILITY

Mr. ANDREW McMASTER (Brome): Mr. Speaker, I rise to a point of order. I speak not merely for myself but on behalf of all those who are somewhat removed from the immediate neighborhood of the government. When questions are asked and replied to in a purely conversational tone of voice it is quite impossible for hon. members in distant parts of the chamber to hear what is being said. I think I am in order in drawing formal attention to this condition of affairs and in expressing the hope that all concerned will endeavour to give the benefit of their observations to all the representatives of the people.

Mr. BELAND: As I think the remarks of my hon. friend applied to me—

Mr. McMASTER: Not more than to others.

Mr. BELAND: —I will attempt to have my voice carry as far as the hon. gentleman's seat in order to apprise him of the nature of the "conversation" which passed between my hon. friend from Yukon (Mr. Black) and

myself. He had placed on the order paper a question as to what the policy of the government would be in connection with the pension bonus, and I answered orally last Monday that that policy was under consideration. The question still appears on the order paper, and I ask my hon. friend to let it drop. He objects to that.

Mr. MEIGHEN: The minister—

Some hon. MEMBERS: Louder.

Mr. MEIGHEN: I observe it is those in front of me who call "louder". I am sure those at a distance heard all right.

Mr. McMASTER: No.

Mr. MEIGHEN: What the minister said when he was speaking in a low voice was correct. His answer yesterday was that the question was under consideration. If this is the case the question should remain on the order paper. Now he says the whole matter is under consideration. I am quite agreeable that that should be taken for the answer in the meantime.

Mr. BELAND: The answer appears in Hansard as follows: "The answer is: Under consideration."

Mr. BLACK (Yukon): I submit the question should remain on the order paper and be answered.

Mr. SPEAKER: Dropped.

QUESTION PASSED AS ORDER FOR RETURN

LEGAL SERVICES IN ALBERTA

Mr. GARDINER:

1. What amounts have been paid by the various departments of the Federal government for legal services in the Province of Alberta, from the 1st of January, 1922, to the 1st of March, 1924?

2. What are the names of the lawyers or firms of lawyers to whom payments have been made and what amount was paid to each?

UNOPPOSED MOTIONS FOR PAPERS

HON. MR. MACDONALD AND FREIGHT RATES

Right Hon. Mr. MEIGHEN:

For a copy of all correspondence, telegrams, letters and other documents relating to, forming the basis of, or the justification for the statements of Honourable E. M. Macdonald in North Sydney on the 28th day of July, 1923, in which assurance was given of certain reductions of freight rates for the Maritime Provinces by the Canadian National Railway Board.

GREAT LAKES LEVELS

EFFECT OF DIVERSION OF WATER BY CHICAGO DRAINAGE CANAL

Mr. T. L. CHURCH (North Toronto) moved:

That, in the opinion of this House, the government should take some definite and immediate action to prevent the illegal diversion of the waters of the Great Lakes through the Chicago Drainage Canal and that action should be taken to prevent further waste and to secure specific enforcement of the Treaty between Canada and the United States as to this matter, inasmuch as this diversion is not only seriously lowering lake levels but is a danger to the public works of Canada and its provinces and an interference with the harbour development of our country and with navigation and is such a direct violation and breach of the Treaty as calls for immediate action by the government of Canada.

He said: Mr. Speaker, this motion speaks for itself. The subject matter which it covers is one of the most important which is likely to engage the attention of the House this session, as the illegal diversion of the waters of the Great Lakes through the Chicago drainage canal is a very serious menace to our country not only from the navigation and power standpoints, but from the standpoint of the Dominion, provincial and municipal interests involved. The motion urges that some additional steps be taken by Canada to prevent this illegal diversion. This matter has been made a football, so to speak, in the American courts, in the state legislatures, and before the Rivers and Harbours Committee of the United States Congress, and it is time for Canada to act.

Mr. SPEAKER: I would ask hon. members on both sides if they would kindly refrain from conversation during the debate, in justice to the speaker who is addressing the House. The remark made a moment ago by the hon. member for Brome (Mr. McMaster) was quite in order; too many members are chatting with each other and preventing the speaker from being heard.

Mr. CHURCH: Although Canada is suffering most—in fact almost entirely—from this diversion of water which is going on every minute in the hour and every day in the year, Canada is standing still, is taking no active steps to prevent a breach of the Boundary Waterways treaty of 1909 relating to this matter, a convention entered into between His Majesty's government of Great Britain and the United States of America. The consideration of this treaty occupied several weeks of the time of this parliament in 1909, and it was debated at length in the British House and in the United States senate and congress. Professor Coleman, one of the greatest geologists on the American continent, says that if this waste goes on much longer, lake Erie and lake Ontario will become nothing but a duck pond and the falls of Niagara will dry up. The people of Canada have been too lax in this matter, and I say

that not only of this government but of the previous government as well. Canada should long ago have insisted upon adherence to the terms of the Boundary Waterways treaty in order that the rights and privileges of the people of this country might be respected. The treaty provides as follows, by section 1:

> The high contracting parties agree that the navigation of all navigable boundary waters shall for ever continue free and open for the purposes of commerce to the inhabitants and to the ships, vessels, and boats of both countries equally.

The treaty provides that the section which I have just quoted, as to preserving the rights of navigation, shall apply to lake Michigan and the harbours, rivers and streams in and about lake Michigan, and that the interests of navigation are paramount. But still we have to-day the condition of which I speak.

I would like to give a short sketch of Canada's side of the case. The Great Lakes constitute the largest and the most extensive navigable inland waterway in the world, and the diversion of water by the Chicago Drainage commission has permanently lowered the level to such an extent as to interfere with the development of navigation. The Chicago drainage canal has lowered the levels of the Great Lakes by diverting an amount of water equal to the volume that goes over the American Falls at Niagara, the reduction in level being effected by a diversion of the natural flow from the St. Lawrence and the gulf by the construction of channels to the gulf of Mexico by way of the Des Plaines, Illinois and Mississippi rivers. Under natural conditions these waters would flow through the lakes and down to the seaboard. This reduction in the lake levels is a matter of national concern both to Canada and to the United States. The waterways treaty from which I have quoted provides definitely for the conserving of the water levels of the Great Lakes for navigation purposes, regarding that condition as essential. The treaty provides that no diversion of boundary waters between the two countries shall be made without the express authority of the governments of both countries, and corresponding provision is made with respect to the diversion of other waters which materially affect the level or flow of these boundary waters. The present diversion through the Mississippi valley, which is a scheme carried out by the city of Chicago on the principle of the dilution of sewage and the flushing of the sewers, gives rise to conditions which certainly call for discussion and adjustment as between the governments of both countries. I am sorry to say that the government of one of the provinces and officers of municipalities along the Great Lakes, seeing that the Dominion government did not appoint some one to put forward their case, found it necessary last week to send a deputation to Washington, to appear before the harbour and rivers committee of a foreign country with regard to a British treaty and the preservation of the rights and privileges accorded under that treaty to municipalities and provinces of Canada.

Let me give in a few words a brief sketch of the Chicago side. Their case is very largely founded on a fallacy and a misstatement of facts with respect to the treaty. The Sanitary Commission of Chicago has jurisdiction over all sanitary matters in connection with the greater city of Chicago, and operates over a definitely prescribed area. For many years, from 1848 down to about twenty years ago, Chicago had a great deal of difficulty in handling its sewage problem, as is the case to-day with every large city on the Great Lakes. They tried many systems, and subsequently a commission was appointed by the state of Illinois and the engineers recommended the dilution principle to which I have referred, involving the taking of water illegally from the Great Lakes. This sanitary commission is in difficulty by reason of this illegal diversion of water from the Great Lakes system to the Mississippi river. The water is diverted, of course, for the purpose of diluting the sewage effluent with sufficient water to render it inoffensive. The Chicago commission are now seeking authority from the Rivers and Harbours Committee of the United States for the use of water now being diverted from the Great Lakes system, and they have been sending delegations to cities on the Great Lakes to try to turn aside opposition to their programme. One of these deputations including the chairman of the commission, visited Cleveland, Toronto, Hamilton and Ottawa for this purpose. As a remedial measure in this connection the Chicago Drainage commission say that they are prepared to construct storage dams at a cost of $2,500,000, one to be erected above the Niagara Falls near Buffalo and another at the Galops rapids in the St. Lawrence. But nothing these gentlemen can do in the way of erecting dams can return to the Great Lakes and to the rivers of Canada the 4,167 cubic feet per second of water which is diverted every second all the year around and turned into the Mississippi valley. The storage dams that the Chicago Drainage com-

mission propose to erect will not compensate Canada, which is losing $35,000,000 per annum by this diversion. It is pointed out by the Chicago officials that these storage dams will restore the lake levels which have been disadvantageously affected by this diversion, but that cannot be done. No storage dams can ever compensate for the 12,000 cubic feet per second which the Chicago commission are diverting all the year round and the resultant economic waste to Canada.

This question has never been properly presented to the Canadian people—the people of Canada have really been asleep on this question, as well as their legislatures and the federal government. They are not alive to the great and serious menace to the business and transportation interests and trade and commerce of this country by this illegal diversion of the water of the Great Lakes. There is no use standing still and allowing a treaty between the two countries to be regarded as a scrap of paper by the people and the government of the United States. The United States government have too long allowed this diversion, as the International Joint Commission has pointed out, as the Supreme Court has also pointed out, as Secretary for War, Mr. Weeks, has also pointed out and urged that action should be taken in a federal way to prevent this illegal diversion of water. Two supreme courts have declared this diversion to be illegal under the boundary treaty between the two countries. I am glad to say that the government at Washington have come to the help of the municipalities on the other side of the border, and yesterday Mr. Secretary Weeks took very strong ground against this illegal diversion, as appears by a despatch appearing in the newspapers of this country to-day. I quote from the Toronto newspapers of Tuesday, March 25:

> Because the diversion by Chicago of water from Lake Michigan does "substantial" injury to commerce on the Great Lakes, even to the harbour of Montreal, Secretary of War Weeks to-day reported against the Madden bill, intended to authorize withdrawal of 10,000 feet per second of lake water.
>
> The secretary's report was sent to S. Wallace Dempsey, chairman of the House, Rivers and Harbours committee, which is considering the Madden measure.
>
> Secretary Weeks intimated that Chicago ought to be as well able as other lakes cities, to provide for purification of sewage without taking so much of the lake water that levels are lowered to the damage of navigation interests. He also showed that the compensatory works proposed in the bill could not be constructed without the consent of the Canadian government.

So you see, Mr. Speaker, the government of the United States are awake to the situation, and there are at the present time

two suits pending before the United States Supreme Court to prevent this illegal diversion.

Who are the interests in Canada and the United States who are opposed to this diversion? Every important navigation interest in Canada right up to the head of the lakes has protested against this diversion, and they have presented their case at the bars of various tribunals, petitioning for a remedy. The proposal of the Chicago Sanitary District is to install regulating works to compensate for the water taken from the Great Lakes, but it is impossible by artificial means to compensate for the thousands of cubic feet per second which are being illegally diverted from the Great Lakes to the Chicago Sanitary District works. The interests of Canada are being seriously interfered with. Against this illegal diversion there are also the states of Wisconsin, Ohio, Michigan, Minnesota and Pennsylvania, who all come to the help of the Great Lakes system. After a conference with Solicitor General Beck of the United States, these five states have joined with the federal government in an application to the Supreme Court of the United States to prevent this work. In addition 350 municipalities in the province of Ontario, comprising practically all the cities, towns and villages in the more settled portions of the provinces, including such large cities as Toronto, Ottawa, Hamilton, Kitchener, Brantford and Windsor, which have the municipality-owned Hydro system—representing an investment of $250,000,000 have all protested through the Canadian government, and the United States government as well, against this illegal diversion. The states of Michigan, Wisconsin and New York, and the provinces of Ontario and Quebec, the federal government of this country and the United States federal government have all registered strong protests against this illegal diversion, and the press almost without exception on both sides of the line, except in Chicago, have taken the same stand. One of the ablest papers in the United States, the Cleveland Plain Dealer, points out:

> Two suits are now before the Federal Supreme Court challenging Chicago's right to this diversion of water. The four Illinois bills, on whose behalf the Chicago delegation journeyed to Cleveland this week, would reverse the anticipated decision of the court before it is made. They constitute a reflection on the court, as the errand of the Chicago delegation reflected on the common sense of Cleveland. This effort of Chicago should be resisted at every point. Particularly it should be resisted by the lake cities on both sides of the international boundary. Congress and the parliament may well join hands to end the illegal, unfair and destructive policy of water diversion. Investments totalling untold millions are jeopardized. More than

that, the friendly relations of the Republic and the Dominion are threatened. We have expressed the opinion before that it is hopeless to cry for Canadian co-operation on the St. Lawrence as long as the government at Washington even appears to condone Chicago's continued theft of lake water. No real friend of this international waterway will lend an ounce of support to one of these drainage diversion bills.

The Cleveland Plain Dealer shows that the real water pirate of the Great Lakes is not Sir Adam Beck, but the Chicago Sanitary District, which is now launching an electrical development project and a Chicago-to-the-Gulf waterway in the hope of getting the help of southern Illinois and the states of the Mississippi valley in its fight to retain the stolen waters of Canada and the states fronting on the Great Lakes.

I might also point out that the Attorney General of Wisconsin, Mr. Ekern, in a very able brief which he prepared for a conference of the Great Lakes harbours, showed that for every inch of depth lost in the lakes the shipping companies lost three quarters of a million dollars per annum. The Chicago diversion has lowered lake Michigan nearly seven inches and lake Ontario nearly five inches. The mayor and council of Milwaukee are also very strong opponents of Chicago in this matter. The Attorney General of Wisconsin in his brief says that the lakes save the two countries $5,000,000 annually in transportation costs, which indicates the importance of preserving intact this waterway.

I might point out that if there is any dispute as to the construction of the treaty, that is a matter for the International Joint Commission. That commission in its report presented to this House in January, 1922, took very strong ground against this diversion of water from the Great Lakes and urged that the matter be referred to that commission to prevent.

In addition, we find opposed to this illegal diversion the Attorney General of Michigan. The cities and towns in his state are very much alarmed. He says that the two largest rivers that flow into the lake at Chicago are the Grand and the Fox, contributing approximately 10,000 cubic feet per second. The state of Wisconsin also is very much interested in this matter, and Attorney General Ekern says in his brief before the court, "If Chicago is to be permitted to illegally divert the water of the lakes, why not Detroit, Cleveland, Buffalo and other cities?" With reference to the proposal of the Chicago sanitary officials that compensating works could not be erected, he expresses the opinion that they have no thought of ever carrying out that policy. It is necessary that the federal governments of both countries should be urged to prevent this illegal diversion. Great international interests such as navigation, with all the complicated questions which navigation involves, are at stake. Water levels in the harbours and rivers of the Great Lakes and of the St. Lawrence, and water powers, are affected as well. All these interests are in jeopardy every day and every hour because of this illegal diversion of water, and it is most important that the government of Canada should call on the government of the United States to respect the treaty and compel the Chicago Sanitary commission, which have treated it as a scrap of paper, to respect it.

Let me say, Mr. Speaker, that the interests of navigation should be paramount. The treaty recognizes the fact, and it declares that any subsidiary rights must be subsidiary to the rights of navigation. The provinces of Ontario and Quebec are interested in this question. Subject to the rights of navigation the surplus waters of the Great Lakes system, the beds of rivers, the beds of streams and the banks and rapids belong to the provinces. That, I think, will be admitted by the law officers of the Crown. Yet the rights in these, to say nothing of the rights of navigation belonging to Canada, are in very serious jeopardy at the present time by the diversion complained of. The depth of water in the harbours of the Great Lakes has been lowered to a serious extent. I have already shown how that reduction in depth has interfered with navigation in the American ports on lake Michigan and lake Erie, in fact in the ports generally on the American side of the border. I can speak with practical knowledge and certainty as to conditions in Toronto and other lake harbours. I am the chairman of the Harbour Commission at Toronto and the Toronto Harbour Board received the representatives of the Chicago commission when they visited Toronto last summer. They spent several days in our city conferring with the Harbour Commission and Provincial Hydro. They came to Toronto and tried to make out that the conditions were not as bad as they were represented to be, and to eliminate opposition to their plans contended that our harbours were not suffering to the extent alleged as to lake levels, but the reports of our own engineers, the reports of the engineers of the federal government and of the governments of Ontario and Quebec show that the depth of water in the rivers and canal systems of this country is being seriously

lowered and interfered with by the diversion of the Chicago Sanitary commission. As I say, the federal government is interested in this question to a very important degree in connection with navigation rights. The province of Ontario has also very important interests at stake. The surplus waters in the Niagara river, for example, belong to the government of Ontario which has erected works on that river involving an expenditure of $275,000,000. The provincial government consequently takes the position that if the federal authorities will not move to prevent this serious encroachment upon their rights it will have to do something itself. And the municipalities of Ontario have adopted the same position. The diversion of water has had very serious results upon navigation in some of the smaller Canadian ports on lake Ontario, lake Erie and lake Huron. In consequence the Dominion government has been compelled to make large expenditures for dredging in small harbours in order to increase the depth of water. Let me say to those who have been preaching economy that that is one of the reasons why the federal Department of Public Works has been obliged to undertake so much dredging and harbour votes in the province of Ontario. In olden times, before there was any such diversion as we now complain of, there was no harbour work carried out at many of these smaller ports. But the lowering of the lakes water level has made dredging compulsory and consequently every year we see votes of money for dredging purposes in harbours where work of this kind never used to be done. This aspect of the question is not denied by those with knowledge of the matter; it is acknowledged by all authorities on this question. It was acknowledged that lake levels were affected by W. J. Healy, president of the Sanitary Drainage system, when he came to Toronto to endeavour to get support for the application of the commission to divert ten thousand cubic feet of water per second. It is admitted by all that the Chicago diversion seriously interferes with the navigable capacity of the waters of the Great Lakes, and their connecting rivers.

The officials of the Hydro-Electric commission also say, "That the provisions of the Canadian treaty for a settlement by joint commission on questions or matters of difference between the United States and Canada offer a further reason why no administrative officer should authorize a further diversion of water, manifestly so injurious to Canada, against Canadian protest."

This question has never, at any time, received the consideration in the House which its importance demands. Last year only one question was put to the government on the subject, the most important that parliament could consider. The government were asked by me on April 13, 1923, whether any protest had been made against the diversion. The reply to me of Hon. Mr. Lapointe was "Yes, but not recently." The then Minister of Marine and Fisheries stated:

> The government believes that the diversion of water at Chicago has injuriously affected the navigable capacity of the connecting channels of the Great Lakes and St. Lawrence River.

The importance of this question can be estimated from the fact that the diversion of ten thousand cubic feet of water per second belonging to the people of this country means a loss to Canada which has been estimated by hydraulic engineers to reach the enormous sum of $35,000,000 per annum. Furthermore, Mr. White, of the Conservation commission agrees with this in his report and the engineers of the Hydro Electric commission have also estimated that the wastage to the people of Canada involved by the diversion represents a sum of $400,000,000. If the interested municipalities on this side of the International boundary cannot get the federal authority to take action they intend to place their case before the Rivers and Harbour Committee of Congress at Washington themselves and seek redress there.

Where is this diversion going to stop? The city of Chicago has been proceeded against in a large number of cases arising out of the unsanitary conditions which prevail there. The death rate from typhoid in Chicago once is said to have been one of the highest on the continent. They have to do something to provide a sanitary remedy, They will either have to spend $100,000,000 on a modern extended sewage disposal plant, or else use additional water from the Great Lakes in order to get rid of their sewage and flush their sewers. All this illegal diversion has been going on with the quasi consent of the government of Canada. The time for further procrastination has gone by. The moment has come for action on the part of this government. They have ignored the wishes of the Canadian government, and the sanitary commission of Chicago has continued to divert water greatly in excess of the 4,167 cubic feet per second for which it has the sanction of its own government. It has not the sanction of the treaty to divert that quantity of water per second. They only do it by virtue of a temporary permit from one of the previous secretaries of war, Mr. Alger. It has never had even the sanc-

tion of the government of Canada for the diversion of 4,167 feet. The diversion of that quantity of water is illegal under the treaty without the consent of other countries and it is costing the people of this country thousands of dollars. But the United States are not satisfied with diverting 4,167 cubic feet. The commission admitted in Toronto, and they have admitted before the courts, that they are diverting water in excess of this amount, even up to the amount of 10,000 cubic feet per second, without attempting to secure permits from the proper authorities. In designing the canal the Sanitary commission, although they only had a temporary permit to divert 4,167 cubic feet, designed their canal so as to serve a population many hundreds of thousands greater than the population of Chicago to-day. One of the engineers admitted in Toronto that the capacity of the canal was 14,000 to 16,000 cubic feet per second. The action of the Sanitary commission in diverting from the Great Lakes system this enormous quantity of water which is being turned into the Mississippi and gulf of Mexico is illegal, and it is without parallel in the annals of the continent to which we belong. It is illegal for them to divert from our great system of waterways this great quantity of water for the benefit of a few people in that country. In my opinion the minister should tell the House what active steps he has taken to prevent the continuation of this diversion, inasmuch as the protests which have been made from time to time have been made by his own government, and by the Dominion Marine Association, the Civic Federation of Montreal, the Atlantic Shipping Company, the Harbour Commissioners of Montreal, and the Harbour Commissioners of Toronto, the Richelieu and Ontario Navigation Company, the Canada Steamships Company, the Canadian Water-power Board and the boards of trade of the Dominion, including the Montreal and Toronto boards of trade, and many other organizations. Now what does the government propose to do, in view of all that I have said? The most eminent geological engineers have pointed out the effect it is going to have on this country. Professor Coleman, who is backed up in his opinion by other eminent geologists, states that this cannot go on forever. He states that it will have very disastrous effects, and says that the Niagara river will be dried up, and the St. Lawrence river will become unnavigable. He says:

> A tilt of fifty feet would drain the whole of the Great Lakes into the Mississippi. "Is this beyond the possibilities of modern engineering skill?" he asked. "It is not. A mere deepening of three drainage canals would result in a similar state of affairs. It is entirely possible to drain the whole of the Great Lakes in this way."

The great geologist is backed up in his opinion by the son of one of the former presidents of the United States, Professor Ulysses Grant, a great geologist of the Northwestern University of the United States, who says—

> Even as it is nature is playing its part in drying up the lakes system and reducing the rivers to streams.

He says that in 2,000 years the school children of Buffalo will gaze at the dry cliffs that were once Niagara Falls and listen with wonder to their teachers telling them that a mighty river once tumbled over it at the rate of 220,000 cubic feet of water every second.

By 3924, Professor Grant declares, Niagara will cease to flow, leaving lake Ontario stranded.

It is a long report. He says the diversion of the Chicago Drainage canal will destroy many rivers and harbours on the

4 p.m. great lakes. Professor Coleman says that the Niagara river, small as the Ottawa, would be draining lake Erie, and that was all.

Professor Coleman further says that the immediate cause of the present receding of the lake levels is the Chicago Drainage canal and its diversion.

Now there you have the opinions of geologists who are studying the question of lake levels and the geology of the Great Lakes, and whose duty as professors is to study such problems. They say that the direct effect is as I have stated. The Chicago people say, "Oh, Canada is taking water from the Niagara river for power purposes." The treaty provides that the rights of navigation are paramount, and that the rights of the people of Canada, so far as the Niagara river is concerned, are as follows:

> Canada is allowed by the treaty 36,000 cubic feet per second and the United States by the treaty is allowed 20,000 cubic feet per second.

Hon. gentlemen must remember that that means 16,000 to the good for Canada, but we must remember the United States is exporting from Canada 12,000 cubic feet of Canada's allotment. Adding 12,000 to the 20,000, it means that the United States is taking 32,000 cubic feet per second, and Canada 36,000. Canada has carried out the treaty to the letter both as regards navigation and as regards the water of the Great Lakes for sanitary purposes and for power purposes. The people of the United States, through the Chicago Drainage commission, have violated

almost every clause of the treaty. Do not forget that the water which Canada takes from the Niagara river for power purposes is all returned to the river. The water which they take out of the river at the village of Chippewa for the Chippewa Development is returned to the river at the village of Queenston, but in the case of the diversion by the Chicago Sanitary commission from ten to twelve thousand cubic feet per second are taken which never comes back. It is diverted through the streams of Chicago and the county of Illinois, right down the Mississippi river, and flows out through the gulf of Mexico. The people of Canada have kept their treaty, but the people of the United States have not by allowing Chicago to act this way.

I may say that Canada's power resources have been sacrificed at the present time, and I say Chicago has no right legally even to the 4,167 cubic feet per second.

They have been given permission to take it by their own government, but Canada has not concurred in that as the treaty provides. They are illegally diverting 4,167 cubic feet without Canada's permission, let alone the addition up to 10,000 cubic feet which they are illegally now taking. They are not only taking this water for sanitary purposes, but are diverting it for power purposes. The Chicago Sanitary commission has become a hydraulic power commission for part of that city. They are utilizing the illegally diverted waters of the Great Lakes, and a part of it is being diverted for hydraulic power illegally.

With regard to the compensating features, the compensation works are not a compensation for the great power lost. Obviously, the proposal to make an investment in some permanent works of only $2,500,000 as is proposed by the Sanitary District, could not be taken into serious consideration as a means of compensating for an annual loss of upwards of $35,000,000 per annum to Canada as estimated by hydraulic engineers.

Now, it is impossible for the Chicago Sanitary District or any other agency to do anything by means of the regulation of levels of the Great Lakes to compensate the Dominion of Canada for its loss in the international waters which Chicago is diverting. It cannot be said that the proposed compensating works on the Galops rapids on the St. Lawrence river, costing $2,500,000, or the compensating works on the Niagara river, could be considered as a sufficient compensation for the illegal taking of this water. No fixed sum could ever compensate the people of

[Mr. Church.]

Canada for the loss of from 10,000 to 12,000 cubic feet of water per second on the Great Lakes. These excess waters belong to the provinces of Ontario and Quebec for power purposes, and from the point of view of the electrical energy to be developed from them they are worth some $35,000,000 a year altogether apart from the question of navigation. This loss is annual; the people are losing money every hour of the day through this diversion of waters that should be used for the development of electrical power; and when it is borne in mind that the cities and towns on the Great Lakes are to-day suffering from a shortage of power for commercial purposes it will readily be seen how serious a matter this is to the provinces of Ontario and Quebec.

We had a visit in Toronto from these gentlemen of the Chicago drainage commission, among them being W. J. Healy, president and the engineer. They had visited a number of cities on the Great Lakes for the purpose of combating the opposition to their programme; and their object could be stated in three or four words. These gentlemen admitted that it was a question of dollars and cents with the people of Chicago; they illegally diverted the waters of the Great Lakes for the purpose of flushing their sewers instead of treating the sewers locally as other cities on the lakes have to do. There was no equivocation on this point; they admitted that their motive was a financial one, and apparently it was immaterial to them whether they broke treaties or not. Now, there is a legal phase of this question and I desire to read a part of the treaty. I have already dealt with Article one, which provides that the rights of navigation as between the two countries shall be equal and paramount. So that, notwithstanding what interests may be at stake on either side, the parties are bound by the provisions of this treaty as to navigation. This fact has been admitted by the Supreme Court of the United States as well as by the Canadian authorities. The second part of the treaty provides that the contracting parties shall enjoy similar rights as regards the use of these waters for the purposes of navigation. As to the different purposes for which these waters shall be used, a certain order of precedence is laid down which shall be observed. I quote from the treaty:

The followoing order of precedence shall be observed among the various uses enumerated hereinafter for these waters, and no use shall be permitted which tends materially to conflict with or restrain any other use which is given preference over it in this order of precedence:

(1) Uses for domestic and sanitary purposes;

(2) Uses for navigation, including the service of canals for the purposes of navigation;

(3) Uses for power and for irrigation purposes.

The foregoing provisions shall not apply to or disturb any existing uses of boundary waters on either side of the boundary. The requirement for an equal division may in the discretion of the commission be suspended in cases of temporary diversions along boundary waters at points where such equal division cannot be made advantageously on account of local conditions, and where such diversion does not diminish elsewhere the amount available for use on the other side.

It is provided that if there is a dispute between the parties, they shall resort, not to the Supreme Court of either country but to the International Joint Commission appointed for the purpose. And this they have not done in the present instance. When these people appeared before the harbour commission and Hydro Electric Power commission when in Toronto, the chairman asked the attorneys for the sanitary commission whether they had consulted the treaty on these questions, and what the treaty had to say about them. Counsel for the sanitary commission of Chicago declared that the requirements of the drainage commission of the city of Chicago were paramount because they had reference to sanitary matters which had precedence and priority.

But the treaty between the two countries never contemplated that the waters of the Great Lakes should be diverted by the Chicago Drainage commission, for if that had been the intention it most undoubtedly would have been explicitly stated. There is not a word about the Chicago Drainage commission anywhere in the Boundary Treaty, and lawyers will tell you beyond any question that the treaty should be construed strictly; you cannot read into it words which would convey a meaning that never was intended between the parties originally contracting. As I have said, however, counsel for the Chicago commission admitted that the financial consideration was the one that moved them; and their engineer gave the whole thing away when he interrupted his associate, declaring that it was a matter of dollars and cents. He said, "We may as well tell you that we want to flush our sewers, and the diversion of the waters for this purpose will save us millions of dollars."

I may say that a temporary permit for the diversion of the waters was granted in 1899. In March of that year congress passed an act placing the navigable waters of the United States under the jurisdiction of the Secretary of War, who automatically assumed control of the Chicago river, which is considered navigable. Many of the Canadian people wondered what the Secretary of War had to do with the rivers and harbours in the United States, because in this country they are under the jurisdiction of the Minister of Public Works. However, acting on that act of congress, the courts of the United States declared the Chicago river a navigable stream within the meaning of that law, and on the 8th of May, 1899, the then Secretary of War of the United States authorized a temporary diversion of 5,000 feet per second. In 1902 this was reduced to 3,333 cubic feet, and in the same year, in December, it was increased to 4,167 cubic feet. In June, 1910, a provisional permit was issued limiting the flow to that quantity, but this permit was not agreed to by this country. On June 30, 1910, Mr. R. S. Oliver, Acting Secretary of War, issued a provisional permit to the sanitary district to open a channel from the Calumet river to its existing main channel so as to substitute two routes instead of one between lake Michigan and its canal, one of the conditions being that the amount of water withdrawn from lake Michigan through the Chicago and Calumet rivers together should not exceed the 4,167 cubic feet per second, already authorized to be withdrawn through the Chicago river alone. The Calumet-Sag channel extends from a junction with the little Calumet river to a connection with the main channel at Sag, a distance of 16.2 miles. Its function is to reverse the flow of the Calumet river diverting all the sewage of the district south of 87th street away from lake Michigan. Work was commenced on September 18, 1911, and the water was turned into the completed channel on August 25, 1922. The legality of the diversion of water for sanitary purposes was tried before Judge K. M. Landis, one of the ablest judges in Chicago—now High Commissioner of Baseball. Judge Landis reserved his judgment and did not give a decision until 1920. Even then he merely handed down an oral decision in which he said:

"The finding of the court is, on the evidence in this case, that diversion has resulted in the lowering of the lake level and the reversal of these currents (the Chicago river) which latter fact is not controverted. On the evidence that the lowering is an impairment of navigable capacity, even though it amounts to no more than three or four inches, and as to the lowering to that extent there could be no controversy on the record, the court's finding is against the contention of the defendant (the sanitary district) on the proposition that this is a necessary thing for the salvation of this

community. That is, that without this water this community will be at the mercy of disease germs from which it suffered before this diversion began, and from which it has by this diversion been practically relieved, as shown by statistics.

"The court has complied with this rule of law, that navigable rights are paramount, and even though the sanitary district is driven to the necessity of making some other provision, granting that the War Department and Congress should refuse to give contention to this question of sanitation (i.e., refuse to permit the desired diversion in the interests of sanitation?) it is entitled to the law, which I must obey, that a navigable right is paramount. In the last analysis, should Congress and the War Department, in consideration of all these matters, decline to permit the necessary diversion, the burden is on the district of providing some other method of relief. In other words, the defence that the diversion is necessary for the purpose of sanitation, as against the rule that a navigable right and navigation right is a paramount right, is immaterial." In order to allow the sanitary district a chance to appeal to the War Department for relief no order was made restricting the flow.

On the retirement of Judge Landis from the bench without having issued an order the case went to Judge Carpenter of the federal district court, who went over the evidence and arguments, and on June 20 last, a formal order against the diversion from lake Michigan of more than 4,167 cubic feet of water per second was entered against the Sanitary District of Chicago, but the district was given six months to appeal the case to the Supreme Court. This appeal and one other is to-day pending before the Supreme Court of the United States. In order to subvert what has been done by the courts of the United States, Senator Madden introduced a bill in congress this session, known as the Madden bill, which last week was considered by the Railways and Highways committee. The province of Ontario and the city of Toronto and other municipalities were represented. I am sorry to say that the Dominion government was not represented. The bill is to be reconsidered further on the 15th of April, and I hope the Dominion will then have a representative on hand to look after Canadian interests.

This question has been made a football by interested parties in the United States. But a treaty between two great nations should not be considered as a mere "scrap of paper". Therefore I am glad to see that at last the government of the United States is going to insist on the observance of the treaty and take the necessary steps to put a stop to the illegal diversion of water from lake Michigan by the city of Chicago, which is at present proceeding at the rate of 10,000 cubic feet per second.

Three hundred and seventy-three Ontario municipalities have at stake an investment of $275,000,000 in power development, and I was

[Mr. Church.]

requested by the district from which I come to bring this matter before the House. I think there should be an effective answer made in this House to the country to the illegal claims of the sanitary commission of Chicago. The commission laid their case before Toronto, Hamilton, and Montreal, and before the Dominion government, but many statements in their brief were proved to be incorrect. There is no question whatever that the diversion is not sanctioned by the treaty. This is not contested even by the sanitary commission of Chicago, and it is admitted by them that they are diverting the water for sanitary purposes without any treaty priority in order to save the city the cost of installing a proper sewage system. The diversion seriously interferes with the water levels of the Great Lakes. This is admitted by the engineers of the Chicago Sanitary commission, and they also admit that sanitary and power purposes are entirely subsidiary to those of navigation. Therefore their case falls to the ground.

I want to see the government do something stronger than sending a telegram or simply drawing up a memorandum of protest. The treaty should be observed. There should be a meeting of the International Joint Commission, which was constituted for the purpose of dealing with and preserving the navigation interests of both countries, and also their power interests, on which trade and commerce so much depend. I urge upon the Prime Minister and the government that immediate representations be made to the United States government that this is not a question for the courts but for the International Joint Commission, which should be directed to exercise the powers and functions vested in them under the treaty, and so put a stop to the illegal acts of the municipal government of Chicago, and to the Boundary Waterways treaty being treated as a scrap of paper so far as Canada is concerned. Both countries should stand by their honourable treaty herein.

Mr. J. F. WHITE (London): Mr. Speaker, I wish, as seconder of this motion, to add a few remarks to those so ably advanced by the mover of the motion. He has given a complete history of the case, has shown the loss to shipping through the lowering of the Great Lakes levels and lowering of the levels of all navigable waters to the Atlantic ocean, and also the loss to the public works of Canada. Now it seems to me that this diversion is for any or all of the three following purposes: The disposal of sewage from the sanitary district of Chicago, the aid to navigation of American

rivers and the generation of hydro-electric power. The sewage disposal system adopted by Chicago is an antiquated one; that of allowing a large amount of water to flow into the sewage and of diverting it through the Chicago drainage canal to the Des Plaines and Illinois rivers down to the Mississippi. I suppose that as Chicago grows the demand will be for more and more water and that, if allowed, she will take very much larger quantities than 10,000 second-feet, according to her own sweet will.

Canada is not alone in protesting against this modern example of buccaneering. The states of the union bordering on the Great Lakes have all recorded their objections to the selfish action of the city in diverting water in excess and in defiance of the ruling of the Secretary of War of the United States, who has jurisdiction over such matters. There are now several bills before congress dealing with features of navigation and power development in this area, and they all assume that 10,000 second feet will be allowed the city of Chicago. This is only an effort on the part of Chicago to secure legal sanction for what it has been doing illegally for years. On the other hand, there is the suit by the state of Wisconsin against Chicago, before the United States Supreme Court, seeking to determine that the city of Chicago is going beyond its rights in the diversion of water. I would like to quote from a report of the Chief Engineer of the United States army, General Bixby, who advised the Secretary of War under date of January 23rd, 1911 "that for the purposes of navigation a diversion from lake Michigan of less than 1,000 second feet is all that will be necessary".

The sanitary district when designing and constructing its canal no doubt had in mind the plan it has been steadily pursuing, The original designs provided for a waterway with a capacity to carry 10,000 second feet of water, but this was enlarged in construction to a capacity of 14,000 to 15,000 second feet. The canal is 160 feet wide and deep enough to accommodate, a depth of 22 feet, which would amount to about 15,000 second feet of water flowing at the rate of three miles per hour. Compared with the Soo canal and the new Welland canal, now in course of construction, the cross sectional area of the Soo canal is 1,215 square feet, that of the new Welland canal 2,000 square feet, and that of the Chicago Drainage canal 3,520 feet. In other words, the Chicago waterway is larger than the other two combined. This tremendous waterway was constructed at a time when the United States government, through its Secretary of War, allowed only 4,167 second feet, and at a time when the navigable water of the Mississippi had a depth of about 22 feet at its mouth and 14 feet further up. And, finally, when the water of the Great Lakes was discharged into the Mississippi, it had a depth of 8 or 9 feet. I think it is a reasonable conclusion that this supply of water which is ostensibly being used for sewage disposal is really being used for the purpose of providing a deep water channel from Chicago to the Gulf of Mexico and for the generation of hydro-electric power.

That the sanitary district and the state of Illinois are fully alive to the prospect of power development is shown by a report of Engineer Hering that 47,300 horse-power could be developed in the canal. I would point out that if that power is developed in the canal the whole of it belongs to the United States, while if the water is not diverted and is allowed to go over Niagara Falls, Canada will then become the possessor of the larger portion of it, 64 per cent, to be exact, and, as shown later, multiplied four times.

In this connection I quote from a report of a special board of engineers to the United States Secretary of War, under date of January 23rd, 1911:

> The future diversion of water from Lake Michigan for any purpose is fraught with difficulties. Not only has Canada an interest in the maintenance of lake levels which the United States must recognize, but every foot of water flowing through the Chicago drainage canal lessens the flow at Niagara Falls and at the power sites along the St. Lawrence river, where due to the fall available the same amount of water will create about four times the power that can be generated from it on the Des Plaines and Illinois rivers.

From the same source there is also a statement that "10,000 cubic feet per second will eventually and permanently lower the levels of lakes Michigan and Huron about six inches and that of lake Erie 4¾ inches." These reports of experts show that the lowering of lake levels and the diversion of an immense quantity of water by Chicago means that there will be just so much less water available for power development in the Niagara district.

The development by the Hydro-Electric Power Commission of Ontario has been tremendously successful, so much so that although very little power was being developed prior to the adoption of the Boundary Waterways treaty, there is now being developed more than 500,000 horse-power. This power is all being used in the western half of Ontario, and there is a continual increase in the demand. The minister of power in Ontario, Sir Adam

Beck, is authority for the statement that in two years' time a power shortage will develop.

I would like to refer to the popularity of this public utility in the city of London, from which I come. Speaking in the House last session I gave a few figures in this connection and in doing so I had to trust to my memory. Subsequently checking up my statement I found that it was altogether too modest. I have here a statement from the general manager of the Public Utilities Commission of London, dated last June, in which he says that while the privately owned company which supplied the city with electric current generated by coal prior to the hydro development charged for domestic use and light 10 cents per kilowatt hour, the average charge to-day made by the Hydro is 1.8 cents, or less than one-fifth of the original cost. He says further:

> Power for factories was supplied by the privately-owned company for $10 to $150 per horse-power per annum. This department is supplying power to-day at from $20 to $25 per horse-power per annum.
>
> The amount spent on plant in London is $2,000,000. Other assets, such as stock and accounts, amount to $300,000, while the net debt is less than $1,000,000, so you will see that in addition to supplying power and light at the above low rates the department has net earnings of over $1,000,000. The saving to the citizens of London is inestimable, but might be placed conservatively at over $5,000,000.
>
> The amount of power originally contracted for by the city from the Hydro-Electric Power Commission was 3,000 horse-power; to-day we are using between 18,000 and 19,000 horse-power. Hydro is doing work in London that would require 200,000 tons of coal a year. Practically every house is connected, there being 17,000 customers, and 4,000 of these are using hydro for cooking.

Since that was written, extensions of the system have been made in the country districts surrounding the city, and the service seems to be as popular with the rural dwellers as it is with the city people. When a public utility is patronized to such an extent by the masses of the people as it has been in London and district it will surely become as popular, when available at as low prices, in every city, town and hamlet in the country. Indeed, it has even now become such a necessity that any interference with the source of supply is little short of a calamity.

The Ontario Minister of Power is authority for the statement that if 10,000 cubic feet of water per second were diverted by Chicago and were returned to its natural channel, it would develop at the falls and rapids of the Niagara and St. Lawrence rivers approximately 500,000 horse-power. If the power shortage which is mentioned by Sir Adam Beck develops, it means that we must use more American coal than we otherwise would, with its attendant adverse trade balance and adverse exchange rate.

[Mr. White.]

It would seem that Article 5, of the Boundary Waters treaty makes some provision for domestic and sanitary use, and if in the interpretation of the Boundary Waters treaty some small diversion of water is allowed Chicago, it would seem the part of wisdom that this government should insist on having free access at all times to the water flow records of the Sanitary District of Chicago, and free access also to the regulating works and all other parts of its canals for the purpose of checking records or making water flow measurements.

This seems necessary in view of the answer given by the government on March 19, to a question I had on the order paper as to how many second-feet Chicago is now diverting. The answer was that the government did not know definitely. As Chicago has shown such a disposition to override the rights of others, it would seem that a strict account and checking up of her diversions would be quite in order. Chicago is a big city, and has shown all the arrogance of the huge and great in this matter. She has all the problems of a big city, but that is no reason why she should shift her problems to the territory around the Great Lakes. Her plain duty is to install modern sewage disposal works, so that this undue diversion of water need not take place. She should be taught that there are such qualities as fair dealing and honour between municipalities and governments, as well as between individuals.

If the United States government, in spite of the protests which have already been made, continues to allow Chicago to divert this tremendous amount of water from the Great Lakes, it is equally guilty, with the city of Chicago, in a breach of the Boundary Waters treaty, and that course of action does not make for friendly relations between the two countries.

The province of Ontario has taken an active part in the protest at Washington. I hope the government fully realizes the importance of this question in the matter of navigation and in relation to public works, and that they will take steps to protest vigorously against any further extension of this diversion of water, and will insist that the Boundary Waters treaty be strictly observed.

Hon. CHARLES STEWART (Argenteuil, Minister of the Interior): I am sure that no one will object to the vehement protests that have been made by the hon. member for North Toronto (Mr. Church) and the hon. member for London (Mr. White) with

reference to the diversion of water from the Great Lakes by Chicago for drainage purposes. I did not come in contact with this question until the middle of the past summer, but one does not need to have very much information upon it to realize that all that the hon. member for North Toronto has stated with respect to this diversion is true, and that his statements as to the effect upon the levels of Canadian waters were not exaggerated at all. It is a serious thing for navigation, and more so still for power purposes—power being so very much needed in connection with further development in Ontario and along the lower stretch of the St. Lawrence—that 10,000 second-feet of water should be diverted from the Great Lakes and international rivers. It is needless for me to reiterate what he has said. He has stated that in 1902, without consultation and without the permission of the Canadian government, permission was given to the Sanitary District of Chicago by the United States government to divert for sanitary purposes 4,167 per second-feet of water. Additional amounts have been taken from time to time by the Chicago Sanitary District; I need not go into all the details because they have been given by my hon. friend, but at the present moment the amount diverted is in the neighbourhood of 10,000 second-feet.

This diversion of water has been a matter of controversy during the past eight or ten years between the citizens of Wisconsin, Illinois and Michigan, bordering on the shores of the lake. The question appears to have come actively before the Canadian government in 1912. In 1909, when the International Joint Commission was appointed, this water was already being diverted, and as my hon. friend has pointed out this question has never been referred to the International Joint Commission by either government.

I might point out that the situation has become particularly acute during the last summer—and I am not offering this as any excuse at all for the diversion—by reason of the low levels of lake Superior and its tributary waters and coming through the Soo there has been a shortage almost equal to the amount of water diverted by the Chicago Sanitary commission. I am not offering that as any excuse at all for the extreme low levels that prevail in the St. Clair river, in lake Ontario and in the lower stretches of the St. Lawrence, but I just mention it in passing when I say that the most acute stage has been reached during the past summer, with considerable inconvenience for the municipalities along these waterways.

In addition to the diversion of this water for sanitary purposes, there is at the present moment a bill before the United States Senate for the purpose of creating a ship canal from Chicago to the gulf of Mexico. That, of course, is sponsored and backed by the interests diverting this 10,000 feet of water, and more, if possible.

Mr. MEIGHEN: Just before the minister leaves that point he said that the question had never been referred to the International Joint Commission by either government. Will he explain why not?

Mr. STEWART (Argenteuil): Answering my hon. friend offhand, I think the fear was that the International Joint Commission's jurisdiction did not extend prior to 1909. The diversion was never agreed to by Canada, but was granted by the Secretary of War of the United States. That may have been the reason, but I really cannot explain why reference has not been made to the International Joint Commission, but undoubtedly the question could be referred to them. Judging from the records, the government of Canada would appear to have pinned their faith to an objection to a diversion not only of 4,167 feet but of any diversion of any sort whatsoever, and I get that impression from the first report that was made to the American government. There was an order in council passed by the Canadian government on the 27th of March, 1912, No. 249, which recommends the appointment of certain gentlemen to go down to Washington and protest against this diversion of water. It authorizes them to attend the meetings that were to be held at Washington in March of that year in connection with the Chicago drainage scheme, and to oppose on behalf of the Canadian government any proposal which would result in lowering the levels of the international boundary waters and in the St. Lawrence river. So, apparently, the government of Canada were not willing to concede that Chicago had the right to divert one single foot of water from the Great Lakes.

Sir HENRY DRAYTON: The minister has given us one protest, and the date. Would he be kind enough to follow that up?

Mr. STEWART (Argenteuil): I propose making reference to all of them. At the moment I wish—in a brief way because my hon. friend (Mr. Church) has covered the whole ground very thoroughly—to rehearse what has happened. In 1902, as I pointed

out, Chicago got permission to divert 4,167 feet, but from time to time the project in Chicago has been enlarged until the proposition now before congress is for the construction of a canal, in addition, of course, to the use to which the drainage organization have been putting this water. Recent statements would indicate that this concession is not to be granted.

As I pointed out a moment ago protests have been registered repeatedly by the people of the United States. They were joined in this protest by the federal government itself, so that Chicago in asking for the diversion of water was opposed by the surrounding municipalities and states backed by the federal government. The reference to the court that my hon. friend speaks of is still before the Supreme Court of the United States. The recent development, I wish to mention in passing, is the request by bill for the provision of a canal to the gulf of Mexico. I do not intend, nor do I think it would serve the purpose of the House, to read all the protests that have been made by Canada. Suffice it to say that, so far as I understand the matter, every protest registered through the British Ambassador to the Secretary of State of the United States was emphatically against any diversion whatever. That is the stand the Canadian government have taken throughout the whole of these proceedings. The first on record is, as I have pointed out of 27th March 1912. On November 23, 1912, despatch No. 45 was sent in protest and there were protests on February 25, 1913, June 8, 1916, June 9, 1916 and April 15, 1921. The despatch of the last mentioned date contains this statement:

The Canadian government are therefore confident that the government of the United States will not countenance Chicago application, or take any step in the matter affecting Canadian interests without arranging for discussion with Canadian government. My ministers would be glad if you could take an early opportunity of making representations in this sense to Secretary of State.

All these representations—without reading them all, or placing them all on Hansard—are of the one character, that of protest. That, I wish to impress on the House this afternoon, has been the attitude of the government throughout.

Sir HENRY DRAYTON: I think the hon. member for North Toronto (Mr. Church) said that particular notice had been given to this matter by the International Joint Commission, and that in their annual report for 1922 they draw the government's attention to the matter as it then stood. Is that correct, and if so what did they say?

[Mr. C. A. Stewart.]

Mr. STEWART (Argenteuil): I have not that report before me, and I am not familiar with the statement of the commissioners, but I may say that during the course of the investigation of this matter I interviewed Mr. Magrath, a member of the commission and asked him whether, in his opinion, this matter had not been referred to that body. His answer was largely along the lines that I have indicated to the hon. member who asked the same question a few moments ago. In the case of the application for the diversion of 4,167 feet there was nothing to prevent a reference of the matter to the commission except that I do not think the Canadian government, following the position taken by previous administrations, admit that any diversion has been authorized or agreed to by the government of Canada.

Sir HENRY DRAYTON: Perhaps my hon. friend would not mind reading the protests that have been made during the present emergency. The matter has become very much more acute of late, and it would be desirable to know what position has been taken during the last two or three years?

Mr. STEWART (Argenteuil): I have in my hand a copy of the representations that were made in a letter of 19th December, 1923. It reads as follows:

Sir,—I have the honour to represent that numerous communications have been received by the Canadian government from various interests and corporate bodies directly concerned, protesting vigorously against the diversion of water from lake Michigan. The position of the government of Canada in opposition to and in protest of the injurious effects of this diversion, both to navigation and water power has been fully declared in representations which have been made to the government of the United States. The attitude of the Canadian government was clearly made known in a brief filed with the Secretary of War of the United States on the 27th March, 1912, and in subsequent despatches under date of the 23rd November, 1912, 25th February, 1913, 8th June 1916, 9th June, 1916, and 15th April 1921, to His Majesty's Ambassador at Washington for transmission to the government of the United States.

In connection with the aforementioned representations, it has been brought to the attention of the Canadian government that on or about the month of June 1923, the government of the United States was granted an injunction restraining the sanitary district of Chicago from diverting water from lake Michigan, and further, that this injunction would not become active for a period of six months, to permit the sanitary district time in which to appeal to the Supreme Court of the United States.

I am accordingly to ask that His Excellency the Governor General may be humbly moved to request His Majesty's Ambassador at Washington by telegraph, to inform the government of United States that the declared attitude of the government of Canada in the above matter is unchanged.

I am further to suggest that His Excellency may request His Majesty's Ambassador to cause appropriate enquiries to be made regarding the legal proceedings

undertaken by the government of the United States, which the Canadian government confidently trusts will be vigorously pressed.

I may say that on February 13, and again about ten days ago, two other despatches have been sent to the Secretary of State through the British Ambassador, to which we have not yet received replies. I would not therefore care to give the contents of these communications. Suffice it to say they are, if anything, more vigorous in character than the preceding despatches. However, all are along the same line, and the moment we receive replies I shall be glad to place them on the Table.

Sir HENRY DRAYTON: Perhaps there is a reply to the despatch of December 19?

Mr. STEWART (Argenteuil): No I have not the reply. When the replies have been received I will be glad to place them on the Table. I do not feel at liberty to table the despatches to which replies have not yet been received from the United States. You will see, therefore, Mr. Speaker, how grave the government of Canada believe the situation to be.

My hon. friend said that we had contented ourselves in making a protest. That is true. The government of Ontario and the municipalities were represented before the committee of the Senate who were hearing representations with respect to the bill that I have just mentioned. We have taken the opportunity to place on record our protest against this diversion. We have treated it separately entirely from the matter of the St. Lawrence waterways, although we fully believe it is very vital to this project when the whole matter is under review by the Engineering Board, as it is sure to be one of the matters that will have to be taken into consideration. If I might express a personal opinion, I would say that I hope that most of the members who are interested in this matter in agreement with my hon. friend from North Toronto (Mr. Church), will raise their voices in protest in parliament. We are doing our part as far as humanly possible. We are not making threats, it is true, but we are pointing out what a very great menace the diversion of this water is to the international waterways, so far as Canada is concerned.

Sir HENRY DRAYTON: The government has made a protest. In addition to that protest, has the government asked the United States government to carry out the terms of this treaty?

Mr. STEWART (Argenteuil): The treaty, as my hon. friend well knows, does not deal with the original protest. I pointed out that Chicago appeared to be on one side, and the federal government and the states surrounding Chicago, particularly Illinois, where a great nuisance has been created by the diversion of this water, on the other; and they have registered a most vigorous protest against the treatment of the sewage by the city of Chicago. We have registered our protest as an interested party, and received fair assurance that further diversion would not be permitted; and as the American federal government had joined in the protest and in the fight against Chicago, we felt on fairly safe grounds in that regard. If more drastic measures should be taken, I think the government of Canada stands ready and willing to take them, but beyond that, so far as I know we have not gone.

Mr. ROSS (Kingston): What would the hon. minister suggest as a drastic action? Would it be a claim of reparations for damages?

Mr. STEWART (Argenteuil): I have not a legal mind, but my hon. friend will see at once that if it comes to the question of settlement for damages, there must be an admission of the destruction. So far we have vehemently and strongly taken the position that we did not at any time and do not now agree to any diversion at Chicago of the international waterways. That is our position.

5 p.m. I pointed out to my hon. friend a moment ago that one of the reasons, as far as I could gather, why the matter had not been referred to the International Joint Commission by the Canadian government was that they did not want to change that position, that they did not want to admit in the slightest degree that in any way they were agreeing to 4,167 cubic feet being diverted, but rather against even one foot of water being diverted.

Mr. JOHN MILLAR (Qu'Appelle): I wish to refer very briefly to this resolution—not briefly because it is not important, for I believe it is important, but briefly because it has been fully dealt with by the hon. member for North Toronto (Mr. Church), the hon. member for London (Mr. White) and the hon. Minister of the Interior (Mr. Stewart). I can readily understand that the manufacturers can point out at once the loss that it means to the manufacturing, as well as to the shipping interests, and to those who live along these waterways. I wish, however, to touch on a point or two in connection with

the transportation of grain, because to the grain grower this is a matter of vital importance. The part of Canada which is growing most of the grain at the present time is placed in a peculiar position. We have been permitted to continue for the last decade, I may say, in the growing of grain, largely because in Russia, where they have large areas of fertile land close to navigable rivers, they have been somewhat backward in their methods of dealing; but I fear that in the very near future Russia, if she comes back, as I believe she is likely to come back, is going to be a very keen competitor with Canada, and if we are going to hold our own and continue to grow grain so far from tidewater, where transportation means a great deal, every few cents saved is of vital importance. A matter that is affecting the level of our lakes at the present time is the forests. They are being cut away quite rapidly, and the more they are cut away the lower the level of the water in our lakes. A short time ago, perhaps a year, I read the report of a commission. I have not it at hand, but I remember it made the statement, in connection with the carrying power of boats, that when a large carrying boat is loaded down to about fifteen or sixteen feet, every extra inch means eighty tons: that is if it is loaded to go one foot deeper, it will be carrying 960 tons. Hon. members can readily see what it means to be deprived of six inches of water. To those not accustomed to shipping, who do not look deeply into the matter, the loss of six inches may seem to be a trivial matter, but I remember quite distinctly reading that evidence to which I have referred in the report of a commission. Many of the ports along the Great Lakes at the present time have a depth of about 19, 20 and 21 feet, and if we lose a very few inches of water, it will cause trouble for the boats that are now on the lakes. They will simply be compelled to make their trips with less than a proper load, which will add greatly to the transportation costs of grain, and that will react on those who are producing the grain. As I pointed out before, it may dry up the flow of grain from the western prairies to the European markets much sooner than would otherwise occur. I believe that in the course of twenty years the flow of grain from the prairies of western Canada to the European market may be greatly lessened by the keen competition of other countries, the one to which I have referred particularly, but it is likely to increase the trade with the United States. I believe that the United States will be compelled inside of twenty years to remove their tariff against Canadian grain, but in the meantime, as I have pointed out, every inch of cargo capacity on the Great Lakes means a gain to those who are producing the grain. I was going to say that, judging from the minister's reply, it was quite apparent they had been taking this matter quite seriously, but I hope they will use every power and every weapon they possess to prevent the diversion of, not merely 10,000 feet per second, but 4,000 feet per second which seemed to be agreed upon between the Chicago interests and the federal power of the United States. I am glad that this matter has been brought up and fully discussed, and I will close by urging upon the government the importance of this question to the growers of grain in the West.

Mr. PIUS MICHAUD (Restigouche and Madawaska): I endorse every word that has been said on this important question. A few years ago I had occasion in this House to bring up a similar subject and I had great hopes at the time that the grievances which I voiced would be relieved. But I never saw any practical result from that discussion. In 1842 a treaty was signed between the United States and Canada in connection with the boundary between the state of Maine and the province of New Brunswick. With regard to this treaty, I may quote from the statutes of the United States Congress, volume 1, under the caption "Constitution of the United States:"

> The laws of the United States made in pursuance hereto, on all treaties made and to be made with other countries, including those with respect to boundaries between Canada and the United States, are to be regarded as the supreme law of the United States, and every state in the union is bound thereby, notwithstanding any legislation it may pass.

I may say that by the Ashburton treaty it was provided that, in order to promote the industries of the inhabitants of the state of Maine and of the province of New Brunswick, the waters of the river St. John and its tributaries were to be free for the transportation of the products of agriculture and of the forests. Now, the treaty was signed in 1842, when the river St. John was accepted as the international boundary between the state of Maine and the province of New Brunswick. In 1841 an application had been made in the state of Maine by a private company for a charter authorizing the diversion of waters tributary to the St. John, but that application was refused. In 1846, however, another application was made and it was granted, authorizing a company to dig a canal to divert the waters from one of the tributaries of the

St. John into a river in the state of Maine. Later on, still another application was made by interested parties in the state of Maine to build dams at the heads of certain lakes in order to provide more water for the Penobscot river, which prevented the waters of these lakes from flowing into the St. John river. As I indicated a moment ago, the St. John river comes within the scope of the treaty, and it is very important that there should be a sufficient quantity of water in the river to facilitate the floating of lumber. Our American friends as a rule claim everything that is coming to them under a treaty, and very often a little more. When the people of New Brunswick found that the Americans in the state of Maine were building a dam at the head of lake Chamberlin they sent a lawyer to Augusta, the capital of the state, to register their protest, and he did so, very forcibly. Unfortunately, however, that protest was of no avail and since that time we have been suffering from the action of our friends on the American side. Every year, in the months of June and July, a large number of logs have to be floated down the St. John river in New Brunswick, and at that particular time the water is so low in the river that it is almost impossible to drive the logs below the Allegash river in the county of Madawaska. We are therefore obliged to go to the government of the state of Maine and importune them to raise the dam in order that we may have enough water to float our timber. This is an undesirable and an unfortunate condition of affairs. By treaty we have equal rights to the waters of the St. John with our American friends, but they have taken upon themselves to deprive us of our privileges and to-day we are suffering in consequence of the failure on their part to live up to the treaty that was signed between the United States and Canada. But there are other instances, besides this, in which our American friends have done the same thing. Some sessions ago I heard that the same thing had happened somewhere, I believe, along the boundary of the province of Saskatchewan or Alberta; and a similar situation arose on one occasion in connection with some river flowing into lake Superior,—I think it was a tributary of the Rainy River. My point is that if we leave our big neighbours to the south of us free to trespass on our rights, sooner or later we shall have much more serious difficulties to solve. I would suggest that the Minister of the Interior (Mr. Stewart, Argenteuil) get down to work; the sooner he does so the better, so that we may find out where we stand with our American friends on these important questions, more particularly on one of such international significance as this.

Mr. E. GUSS PORTER (West Hastings): I have the honour to represent a constituency in the province of Ontario in which there is an important port, and I shall certainly support the resolution that is now before the House. I refer to the port of Belleville, which, according to the fiscal returns, carried the third largest tonnage of shipping in Ontario. I am not so sure that this port has not already been affected by the diversion of waters that has been taking place. We have found, within the last two or three years particularly, that navigation is becoming much more difficult in that port, and during that time I have on different occasions brought to the attention of the government the fact that ships have been stranded in the harbour at Belleville. Incidentally, I might remark that the present difficulty there might easily be removed if sufficient dredging were done in the harbour, but the government does not see fit to undertake this work. I want to express my full sympathy with the resolution; in fact, I would urge it, if it were in my power to do so, in terms much stronger than those used by the hon. member for North Toronto (Mr. Church). The hon. gentleman has placed the matter forcibly and fully before the House, and this discussion has revealed two facts: the first is that there has been a steady diversion of waters from the Great Lakes; the second is, that the only step taken to remedy the evil is by way of protest. Now, is it possible that Canada is to be put in that position? She may make just as many protests as the government see fit to transmit to Washington, but the only action on the part of the United States is either a telegram or other communication in acknowledgement. Surely there must be some way of remedying the wrong that we claim we are suffering. If there is any question whatever as to the ownership or the jurisdiction over these waters, now is the time when it should be finally and effectively settled. The very best international relations exist to-day between Canada and the United States, and this being the case it occurs to me that it would be a wise course and in the interests of both countries to now deal with the question speedily and effectively, otherwise it may eventually develop into a serious international difficulty.

The hon. member for North Toronto (Mr. Church) has perhaps urged sufficient reasons why the government should at this time take action. But it occurred to me during the

course of his speech that we might well look at the other side of the question for a moment. Those representing the Chicago drainage district have made certain submissions to the authorities in this country, but so far as I have been able to gather, they have never undertaken to say that the only relief for the conditions that exist in Chicago is the diversion of the waters of lake Michigan. Not one of their representatives has been bold enough to urge the point. So I think we may very naturally conclude that that is not the only means of relief. If it were, from considerations of charity and humanity we might well see fit to forego the strict letter of our rights and grant Chicago some relief through the diversion of this water. But that is not the case at all; it is simply a matter of what are the just rights of Canada and the United States respectively. By the expenditure of money, be it great or small, the Chicago drainage district can very well provide a means for disposing of their sewage, and I think we should see that they proceed in this direction. The United States boast that they have more money than any other nation on the face of the earth. Let them translate that boast into action and provide a sewage system for the Chicago district.

We recognize the importance of our waterways, and we take a just pride in the Great Lakes and St. Lawrence waterway, which we believe to be the finest in the world. We hope that some day ocean-going ships will reach the Great Lakes. For that reason, in addition to others, we cannot afford for a moment to jeopardize our rights by allowing this question to drift any longer. Therefore I strongly support the resolution, and I am satisfied that every hon. member will realize not only the justice of Canada taking action, but the necessity of her doing so at an early date.

Sir HENRY DRAYTON (West York): Mr. Speaker, I am sure our thanks are due to the hon. member for North Toronto (Mr. Church) for bringing this very important matter to our attention. It is not often that we are all of one mind as to what ought to be done. I do not know that we will all agree with what has been done so far, but I am confident that we are all in accord as to one thing, and that is that Canada is suffering grievously as the result of the non-observance of her sacred treaty rights. I inquired of the minister to-day as to whether the government had requested the United States to carry out the terms of the treaty. This question has been in dispute for years, harm to the country has been increasing all the time, and it has now reached an acute phase. My own view is that if the matter was fairly and firmly placed before the United States authorities, they would be among the first to say that they intended strictly to observe their treaty obligations, and would discipline their citizens when our rights were violated. We have not heard from the government at all as to the breach of treaty obligations alleged by the hon. member for Restigouche and Madawaska (Mr. Michaud). Perhaps the government will tell us something about that.

I do not think this debate should close to-day. A return has been asked for concerning the papers that have to do with this question, and I think my right hon. friend the Prime Minister will agree with me that the proper course to take to-day is to adjourn the debate, so, that we may have the papers before us, and that he should undertake to give the House an opportunity of resuming this very interesting discussion.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I think the suggestion my hon. friend makes is a very proper one at this stage of the debate. Some days ago the government communicated with Washington intimating that we desired to lay on the Table of the House the despatches that have passed between us. We are awaiting a reply before we bring the despatches down. I assume there will be no objection to our request on the part of the United States authorities.

Mr. SPEAKER: Is the House ready for the question?

Sir HENRY DRAYTON: With the concurrence of the Prime Minister, Mr. Speaker, I move the adjournment of the debate so that the papers referred to may be tabled and the debate then resumed.

Motion agreed to.

BOYD CALDWELL COMPANY

On the Orders of the Day:

Mr. J. L. BROWN (Lisgar): I wish to make a correction of a statement I made the other day. It will be recalled that in speaking of the Lanark woollen mills I made a statement that would seem to reflect on the good faith of the Boyd Caldwell Company. I have taken the pains to get the facts of the case, and I find that the particular mill I referred to was burned on the date given.

I find also, however, that in the same village there was a smaller mill that had been in operation, the existence of which I knew of, but I was not aware that the mill belonged to the company in question. I wish to point out that I was in error to that extent, and I regret that I made a statement that might have conveyed a wrong impression.

LIFE INSURANCE LAPSED POLICIES

On the Order being called:

Resuming the adjourned debate on the proposed resolution of Mr. Church—That, in the opinion of this House, subject to certain reasonable charges including a certain sum for overhead expenses, lapsed policies of life insurance of companies with federal charters should be returned to the insured, and that in the interest of the insured such confiscatory powers of these companies should be further revised.

Mr. CHURCH: Mr. Speaker, as the minister has promised that the inquiry being made by the Insurance Department will be continued, in the recess of parliament, I suggest that this motion be dropped.

Motion withdrawn.

CRIMINAL CODE AMENDMENT—HALF-BREED SCRIP

House again in committee on Bill No. 5—(Mr. Kennedy, Edmonton)—to amend the Criminal Code. Mr. Marcil in the chair.

On section 1—Rights saved and continued.

Mr. KENNEDY (Edmonton): The other day when this clause came up it was found that there was something wrong with the wording of subsection 2. If it is in order I will move that subsection 2 as it appeared in the original bill be struck out and that the following be substituted therefor:

Any offence relating to or arising out of the location of land which was paid for in whole or in part by scrip or was granted upon certificates issued to half-breeds in connection with the extinguishment of Indian title may be prosecuted as if the said section 20 of chapter 25 of the statutes of 1921 had not been passed.

Mr. LAPOINTE: I have seen this new draft of subsection 2, and it meets with what my hon. friend had in view and also with what was the general desire of the committee when the bill was first studied.

Section as amended agreed to.

Bill, as amended, reported.

BUSINESS OF THE HOUSE

EASTER ADJOURNMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister): I beg to move:

That when this House adjourns on Wednesday, April the 16th next, it stand adjourned until Tuesday, April the 22nd next.

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

Mr. ROBERT FORKE (Brandon): I should like to say a word on that motion, Mr. Speaker. I would point out that five days is a rather awkward number of days to adjourn, especially for members from the western prairies. It will mean they will be compelled to stay in the city over the holiday. But if we adjourn for eight or nine days it would give them a chance to go home and spend one or two days looking over their work. I would like to have it made nine days if that was the wish of the House.

Mr. MACKENZIE KING: If it should appear, after the Whips have a chance of conferring with the members of the House, that there is a general desire on the part of the House to extend the time, the government would be quite willing to act in accordance with that suggestion. Our view at the time I drafted the motion was that, as this year we met a little bit later than last, if we made the Easter holiday somewhat shorter than it was last year we would probably get through the business of the House a little quicker. As to the days that are taken as holidays, of course, Saturday and Sunday would not be days when the House would be sitting in any event, so really the only days that are taken off are Good Friday, Easter Monday and the Thursday before Good Friday, which I believe is a fast day. So we are really taking only a three days' holiday having regard to Saturday and Sunday being days on which the House does not sit as a rule. I think it might be well to let the motion stand for the moment. I brought it in this early in order that hon. members might have a chance of considering the matter, and if it should appear from the views ascertained by the Whips that it is the general desire of members to have the period extended, the government will be prepared to take that request into consideration.

Mr. J. L. BROWN (Lisgar): I would like to support the suggestion of my hon. friend from Brandon (Mr. Forke). I know that in a matter of this kind it is largely a question of meeting the personal convenience of members. I appreciate the position of members from the far West who cannot go home under any circumstances, but at the same time the great majority of the members can go home, and there is another proportion for whom two or three days extra would make it worth

their while going home. I wish to support the suggestion of my hon. friend.

Mr. MACKENZIE KING: As far as the government is concerned, its members would welcome a longer vacation because it would give us a chance to do some departmental business, but we thought we were meeting the wishes of the House in taking the shorter period.

Mr. FORKE: I might just explain the circumstances. Most of us over here are farmers from the West, and Easter is the season when farming operations commence. Speaking personally just for a moment, I have a pretty large farm; I left it a month ago, and I shall probably not see it again until next July. But if an extra day or two were added to the Easter vacation it would give me a chance to get back and look things over for one or two days.

Mr. L. J. LOVETT (Digby-Annapolis): We are not here concerned with farming. We are here to do the country's business, and it is very awkward for the members from the Maritime provinces to have to sit here session after session and remain in the city over a long holiday. I think the holiday should be made as short as possible so as not to waste any of the time of the session, and to give members a chance to get home earlier in the summer.

Mr. G. G. COOTE (Macleod): I should like to say just a word—

Mr. SPEAKER: I might say the motion was carried. Is it the pleasure of the House to have the motion reconsidered?

Mr. MACKENZIE KING: Yes.

Mr. COOTE: I think a great many members of the House would much prefer to see a short recess at Easter and have the House adjourn not later than twelve o'clock on any night. I want to protest against this House sitting so late at night. I think it is a physical impossibility for most members to sit here much later than twelve o'clock at night except on rare occasions, and I think it should not be done except with the unanimous consent of the House.

Mr. MACKENZIE KING: May I just say a word in reply, because my hon. friend's remarks carry an implication. I think if he looks over Hansard of last year he will find that for the greater part of the entire session the House seldom sat past eleven o'clock. We rather adopted the rule of adjourning every night at eleven, and the hope of the government is that we shall find it possible to follow that same rule this year. True, last night the House sat a little later, but I think every member recognizes that it was an exception, and as a matter of fact, there were not very many members in the House last night. I will say to my hon. friend, though, that certainly so far as the government is concerned its wish is entirely in accord with his own, of adjourning every night at eleven o'clock.

Mr. SPEAKER: I understand the motion stands.

Mr. MACKENZIE KING: I would like to have it clearly understood that the government is wholly agreeable, if it is the general desire of members of the House to have a longer vacation, to meeting their wishes in that regard. It is immaterial to us whether the House adjourns from Tuesday the 15th to Wednesday the 23rd, or whether we hold to the dates fixed in the resolution. I put forward what I gathered was more or less the general view, but if any hon. member will move an amendment the government will be quite prepared to accept it if the feeling of the House seems to be in accord with it.

Mr. SPEAKER: Do I understand the motion stands?

Mr. MACKENZIE KING: No.

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

Motion agreed to.

CANADIAN NATIONAL RAILWAYS

BRANCH LINES—RESOLUTIONS ORDERED FOR CONSIDERATION

Hon. GEORGE P. GRAHAM (Minister of Railways) moved that on Tuesday next the House go into Committee of the Whole to consider the several resolutions with respect to branch lines standing in his name on the order paper.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of these resolutions recommends them to the favourable consideration of the House.

Motion agreed to.

SUPPLY.

AGRICULTURE

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

Experimental farms, $1,400,000.

Sir HENRY DRAYTON: Mr. Chairman, I do not know why on earth this item is called unless it be for the purpose of slipping agriculture in,—that is, without a proper motion to get into the estimates for Agriculture. That can be the only reason it is done; there was no notice given of it at all. The opposition has a right to the regular motion to go into committee of supply, having regard to the different departments, and the customary motion with respect to the Department of Agriculture has not yet been moved.

Mr. MACDONALD (Pictou): Was the hon. gentleman going to move any motion? Is he hurt?

Sir HENRY DRAYTON: I do not understand the remarks of my hon. friend from Pictou.

Mr. MACDONALD (Pictou): Is the hon. gentleman hurt in any way?

Sir HENRY DRAYTON: The hon. member will see what I am going to do when I do it. I am not asking him for permission to speak. I am just pointing out that there was no regular motion—and I stand corrected if I am wrong—to go into supply, having regard to the estimates of the Department of Agriculture, and I think under the ordinary rules the opposition has a right to that.

Mr. MACKENZIE KING: I think the proceeding has been perfectly regular. The government has no intention of going on with the Agriculture estimates this afternoon; but, as my hon. friend knows, unless the government has already gone into supply of a particular department, it is impossible for it to proceed on either Thursday or Friday with the estimates of that department.

Sir HENRY DRAYTON: Certainly.

Mr. MACKENZIE KING: We shall proceed with the estimates for the Department of Agriculture either to-morrow or Friday. I intended to announce to-night that we would take up the estimates of the Department of Agriculture after we got through with the Home Bank discussion to-morrow; if not to-morrow, then Friday. It is in order that we may be able to go on with supply on Friday and to get through the business of the House that we are going into committe to-day.

Sir HENRY DRAYTON: I think my right hon. friend will agree with me that we have the right to debate the question of going into supply in connection with any department the first time it is called.

Mr. MACKENZIE KING: My hon. friend has that right.

Sir HENRY DRAYTON: The hon. gentleman moves the House into supply. We are already in supply on Public Works. We need no motion to go into supply on Public Works. There was not the slightest intimation made in the motion put by his honour the Speaker that my hon. friend was going into supply for any other purpose except Public Works. He certainly did not say anything about Agriculture until we were in committee.

6 p.m.

Mr. MACKENZIE KING: I must be very much mistaken. I understood one of my colleagues mentioned to my hon. friend that the intention was to go into committee of supply on the estimates of the Department of Agriculture.

Sir HENRY DRAYTON: I objected to it.

The CHAIRMAN: Shall I report progress?

Sir HENRY DRAYTON: I object to reporting progress. After all, I think that is a pretty old rule and regulation of this House. All we want to know is exactly how we are going to be treated, and we can accommodate ourselves to it.

Progress reported.

CANADIAN BUILDING IN LONDON

Right Hon. W. L. MACKENZIE KING (Prime Minister): I think I promised to lay on the Table before the House rose some papers relating to the Union Club building in London. The hon. Minister of Public Works (Mr. King) is here now, and has the return. I have been looking over other papers, which relate to certain efforts the government made to acquire a building in London, and in order that members may have the full report before them, I will ask that some of this correspondence be added to what has been brought down. It does not touch the Union Club building but refers to other buildings.

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

Thursday, March 27, 1924

The House met at three o'clock.

FEDERAL APPEAL BOARD

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishment): I desire to lay on the Table the third return to an order of the House, dated 19th March 1924, showing the number of appeal cases heard and the number of decisions rendered by the appeal board.

Mr. McMASTER (Translation): Mr. Speaker, I rise to a point of order, on the very same point of order that I rose yesterday: That the Ministers do not speak loud enough.

Some hon. MEMBERS (translation): Hear, hear.

Mr. SPEAKER (translation): I shall request the hon. minister to speak louder.

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishment) (Translation): I desire to lay on the Table a return to an Order of the House dated 19th March, 1924, prepared at the request of the hon. member for Durham (Mr. Bowen).

UNITED CHURCH OF CANADA

Mr. HERBERT MARLER (St. Lawrence-St. George): I desire to present the petition of the Montreal Branch of the Presbyterian Women's League, protesting against the bill to incorporate the United Church of Canada.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

CIVIL SERVANTS—AVERAGE SALARY

Mr. McQUARRIE:

1. What was the average monthly salary paid to full time civil servants in Canada for the month ending February 28, 1914?

2. What was the average monthly salary paid to full time civil servants in Canada for the month ending February 29, 1924?

3. What is the percentage of increase?

4. By what percentage are the cost of living figures for the month of February, 1924, as compiled by the Dominion Department of Labour, greater than those for the month of February, 1914?

Mr. McQUARRIE: Mr. Speaker, I desire to comply as far as possible with the wishes of the Prime Minister in regard to these inquiries, and I am going to suggest that questions 1 and 2 be confined to the Departments of Customs and Agriculture. These two departments are chosen because in the case of the former the staff is largely clerical and in the case of the latter, technical. So I have redrawn these questions and would submit them to the House, if it is agreeable to the Prime Minister, in amended form. I have added another question, No. 5, as follows:

5. Is it not true that the salaries fixed in the reclassifications were based on normal living costs?

I can read the question as amended if you so desire.

Mr. SPEAKER: I think the hon member would be more in order if he allowed this question to be dropped and put his amended question on the order paper.

Question dropped.

EXPORT OF PULPWOOD

Right Hon. Mr. MEIGHEN:

Under what authority of what statute did the government pass Order in Council P.C. 1563 of August 14, 1923, guaranteeing to permit for a period of ten years the shipping out of pulpwood from Canada under existing contracts?

Right Hon. Mr. MACKENZIE KING: Under authority of chapter 46, Statutes of Canada, 1923, 13-14 George V.

QUEBEC HARBOUR COMMISSION

Mr. HANSON:

1. When was the Quebec Harbour Commission created?

2. Under what statutory authority?

3. What loans or advances have been made to said commission since its creation, and under what authority?

4. Is it not a fact that loans or advances over and above those authorized by statute have been made by the government to this commission?

5. If so, when were such loans or advances made; in what amounts and under what authority?

6. Has the Governor in Council authority to order advances or loans to this commission over and above those specifically authorized by statute?

7. If so, where is such authority to be found?

Hon. Mr. CARDIN:

1. As at present constituted, in 1912.
2. 2 George V, Chapter 44.
3. 1912 to date—$7,724,800.
4. No.
5. Answered by No. 4.
6. No.
7. Answered by No. 6.

L'EPIPHANIE EXCISE OFFICER

Mr. SEGUIN:

1. What is the name of the excise officer at L'Epiphanie, Quebec?
2. What is his salary and the date of appointment?
3. Whom did he replace?
4. What salary was paid his predecessor at time of replacement?

Hon. Mr. BUREAU:

1. Ovila Gariepy.
2. Employed at Montreal, July 23, 1917; transferred to L'Epiphanie, January 1, 1919 at a salary of $900; permanent appointment, April 1, 1921; present salary, $1,440.
3. J. T. Brick.
4. $900.

HUDSON BAY RAILWAY

Mr. EVANS:

How much of the vote of $350,000, Hudson Bay Railway, passed at last session, has since been expended on this work?

Hon Mr. GRAHAM: $112,963.27

VANCOUVER—FISHERIES INSPECTION

Hon. Mr. STEVENS:

1. Is it the intention of the government to close the fisheries inspection office in Vancouver?
2. If so, what are the reasons?
3. If closed, what other facilities will be provided for those engaged in the fishery industry to deal with questions constantly coming up and seriously affecting their business?

Hon. Mr. CARDIN: Under consideration.

COST OF RURAL MAIL DELIVERY

Mr. MILLAR:

1. What has been the cost to Canada during the last year, for which figures are available, of rural mail delivery in each of the following postal districts: St. John, New Brunswick, Quebec, Ottawa, Winnipeg, Saskatoon, Calgary, Vancouver?
2. What is the number of routes in each?
3. What was the average cost per mile in each?
4. What was the total expenditure during the same year on rural mail delivery in the three prairie provinces, and those portions, if any, of adjoining provinces included in the prairie province postal districts?
5. What was the total expenditure during the same year on rural mail delivery in the postal districts of Ontario, including those portions, if any, of adjoining provinces, included in Ontario postal districts?

Hon. Mr. STEWART (Argenteuil), (for the Postmaster General):

1.

Per Annum cost as on 1st January, 1924

St. John postal district	$156,886.60
Quebec postal district	185,265.98
Ottawa postal district	413,004.79
Winnipeg postal district	69,557.83
Saskatoon postal district	33,518.73
Calgary postal district	72,654.94
Vancouver postal district	53,487.21

2.

As on 1st January, 1924

St. John postal district	276
Quebec postal district	292
Ottawa postal district	534
Winnipeg postal district	98
Saskatoon postal district	54
Calgary postal district	95
Vancouver postal district	67

3.

Average cost per mile as on 1st January, 1924, on the basis of 6 trips per week.

St. John postal district	$41.47
Quebec postal district	37.94
Ottawa postal district	39.35
Winnipeg postal district	54.56
Saskatoon postal district	53.04
Calgary postal district	51.35
Vancouver postal district	52.54

4.

As on 1st January, 1924

Alberta (i.e. Calgary postal district)	$72,654.94
Saskatchewan (i.e. Saskatoon and Moose Jaw postal districts)	48,240.81
Manitoba (i.e. Winnipeg postal district)	69,557.83
Total	$190,453.58

5.

As on 1st January, 1924

London postal district	$682,302.54
Toronto postal district	489,668.30
Ottawa postal district	413,004.79
North Bay postal district	17,619.71
Total	$1,602,595.34

IMPERIAL PENSIONERS IN CANADA

Mr. ROSS (Kingston):

1. How many ex-service men are being paid imperial pensions in Canada by the Department of Soldiers' Civl Re-establishment?
2. What is the total amount of such pensions?

Hon. Mr. BELAND:

(a) Imperial pensioners in Canada.

	No.	Amount Paid in Sterling	Amount Paid in Dollars
1. Ex-service men receiving pensions for disabilities:			
Paid at British rates..	7,552	£382,127 5s. 4d.	
Paid at Canadian rates..	876		$387,117 36
Total number of imperial disability pensioners..	8,428		
2. Dependents in receipt of imperial pensions:			
Paid at British rates..	3,859	£148,947 11s. 4d	
Paid at Canadian rates..	440		$231,532 55
Total number of imperial dependent pensioners..	4,299		
Total number of pensioners in Canada..	12,727		

(b) Imperial pensioners in the United States of America.

	No.	Amount Paid in Sterling	Amount Paid in Dollars
1. Ex-service men receiving pensions for disabilities:			
Paid at British rates..	3,643	£183,679 0s. 6d.	
Paid at Canadian rates..	232		$103,436 22
Total number of imperial disability pensioners..	3,875		
2. Dependents in receipt of imperial pensions:			
Paid at British rates..	1,682	£84,154 13s. 6d.	
Paid at Canadian rates..	118		$66,431 21
Total number of imperial dependent pensioners..	1,800		
Total number of pensioners in U. S.A...	5,675		
Grand Total..	18,402	£798,908 10s. 8d.	$788,517 34

NOTE.—In addition to the payment of pensions shown above, the Imperial Pension Office is responsible for the payment of allowances to imperial pensioners undergoing treament; payment of decoration awards, etc., the total of which added to the total pension disbursements as shown above involved the disbursement during the year 1923 of approximately $5,447,897.30.

[Mr. A. E. Ross.]

CHICOUTIMI, CUSTOMS AND EXCISE

Mr. SAVARD:

What was the total amount collected by the Customs and Excise offices at Chicoutimi, during the years 1923 and 1924 respectively?

Hon. Mr. BUREAU:

	1922-23	1923-24 (to date)
Customs import duties..	$33,410 01	$22,896 07
Excise taxes.. ..	37,120 90	44,271 43
Excise duties.. ..	300 20	287 61
Sundry collections.	.....	.....
Totals..	$70,831 11	$67,455 11

GRADING OF POTATOES

Mr. MICHAUD:

1. At whose request or demand does the Canadian Horticultural Council propose to change the grading of potatoes in the province of New Brunswick?
2. Is the government aware of any complaints made about the present grading of potatoes in said province?
3. If so, who made said complaints?

Hon. Mr. MOTHERWELL:

1. The Canadian Horticultural Council has no jurisdiction over the matter of changing potato grades.
2. No.
3. Answered by No. 2.

QUESTIONS PASSED AS ORDERS FOR RETURNS

ROYAL COMMISSIONS

Right Hon. Mr. MEIGHEN:

1. What royal commissions have been appointed since the present government came into office?
2. How much has each commission cost the country —(a) in remuneration to the commissioners; and (b) in expenses or other outlay?
3. What of these commissions are now in existence?

GOVERNMENT APPOINTMENTS—SALARIES IN EXCESS OF $3,000

Mr. HODGINS:

1. How many appointments with a salary of $3,000 or more has the government made since coming into power?
2. What position does each appointee fill?
3. What is the salary in each case?
4. What are the new positions created?

MANITOBA BREWERIES

Mr. WARD:

1. What breweries have been operating in Manitoba within the period 1915-1924?
2. What requirements, if any, as to plant, capacity, etc., and what undertakings, if any, as to continuity of operation, observance of law, etc., are made of those securing brewers' licenses?
3. What fees are required to be paid for a brewer's license?
4. What additional brewers' licenses, if any, have been issued for Manitoba since July, 1923?

5. Does the government's policy limit in any way the number of brewer's licenses which may be issued in Manitoba?

6. What inspection or supervision, if any, is made from year to year of brewers' plant or operation?

7. What quantities of beer were manufactured by each of the brewers in Manitoba in the years 1915, 1916, 1917, 1918, 1919, 1920, 1921, 1922, 1923, and what taxes were paid by each in respect of these quantities?

8. What brewers, if any, in Manitoba were convicted of infractions of the law during the calendar years 1922 and 1923?

9. Has the government yet established any policy as to the issue or continuance of licenses to brewers convicted of infractions of law, and if so, what is its policy?

10. How many convictions for having or operating illicit stills occurred in Manitoba in each of the years 1913, 1914, 1915, 1916, 1917, 1918, 1919, 1920, 1921, 1922 and 1923?

11. Has the government given consideration to the proposal that it should adopt the policy of refusal to issue permits for manufacture of liquor within the bounds of those provinces in which the importation and sale of liquor for beverage purposes is prohibited? If so, what conclusion was reached or policy established?

Hon. Mr. BUREAU: I would ask that part of this question stand as an order for return and that the questions which involve the policy of the government be placed upon the order paper as separate questions. Some of the questions ask for information going back as far as 1913, which would take some time to get and would be quite voluminous.

Mr. SPEAKER: Stands partly as an order for return. The balance of the questions should be re-drafted.

Mr. BUREAU: All I ask is that the part of the question which touches upon the policy of the government shall stand as a question, and that the rest of it be passed as an order for return.

SELECT STANDING COMMITTEES

MINES, FORESTS AND WATERS—INDUSTRIAL AND INTERNATIONAL RELATIONS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the Standing Committees on Mines and Minerals, and on Forests, Waterways and Waterpowers be consolidated into one standing committee under the name of the Committee on Mines, Forests and Waters; that a new standing committee be formed under the name of the Standing Committee on Industrial and International Relations; and that Rule 10 be amended accordingly.

Motion agreed to.

QUESTIONS AS ORDERS FOR RETURNS

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I desire to call the attention of yourself, Mr. Speaker, and of the government to question No. 8, which reads as follows:

1. What royal commissions have been appointed since the present government came into office?

2. How much has each commission cost the country —(a) in remuneration to the commissioners; and (b) in expenses or other outlay?

3. What of these commissions are now in existence?

Why that question should stand as an order for return is a mystery to me. The answer must be relatively brief. Although the numbers of commissions are rather extensive, still, to make it an order for return and keep it out of Hansard is merely a ridiculous abuse of the rule.

Hon. A. B. COPP (Secretary of State): As my right hon. friend knows, these inquiries are in the ordinary course sent out to the different departments with a request that the information be furnished. I find that in one of the answers a statement has been included of the work in which the royal commissions in question have been engaged. I hold the statement in my hand, and my right hon. friend will see that it is quite long, consisting of about eight pages.

Mr. MEIGHEN: I am not responsible for that. I did not ask for that at all.

Mr. COPP: As the return has been made in this form it seems to me that under the circumstances the question should be made an order for return. I do not think it is necessary to have all these details spread upon Hansard.

Mr. MEIGHEN: I must protest against this reasoning, that because the minister's staff insist on answering a lot that is not asked, the government should make the question an order for return. I want only what is asked, and certainly less than half a page would contain the whole information.

Mr. COPP: It seems to me that if the different departments feel that the information ought to be furnished in whole instead of in part, the matter should be dealt with as an order for return.

Mr. SPEAKER: The House knows as well as I do of the drastic rule, No. 37—

Mr. BUREAU: Drastic?

Mr. SPEAKER: Rule 37, subsection 4, provides that:

If a question is of such a nature that in the opinion of the minister who is to furnish the reply, such reply should be in the form of a return, and the minister states that he has no objection to laying such return upon the Table of the House, his statement shall, unless otherwise ordered by the House, be deemed an Order of the House to that effect and the same shall be entered in the Votes and Proceedings as such.

I am, of course, governed by that rule.

POSTAL SERVICE SALARIES

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): May I ask the Prime Minister if the government has definitely promised a revision of the postal service salaries during this present session, and if so, is it the intention of the government to make such revision retroactive to April 1923?

Right Hon. W. L. MACKENZIE KING (Prime Minister): In answer to my hon. friend, I stated in the House a few days ago that the government intended having an immediate revision made of the salaries of the Civil Service, which will, of course, include the salaries of the clerks to which he has just referred. The government is proceeding in accordance with that undertaking. As to whether or not there will be anything in the nature of retroactive action will depend upon the recommendation made by the Civil Service Commission in that regard.

Mr. STEVENS: May I ask one further question? In view of the fact that the Post Office Department has been reorganized, and in view of the further fact that it would take perhaps a long time to complete the total revision, is the government prepared to consider an early revision of the salaries of the Postal Department as distinct from the whole Service?

Mr. MACKENZIE KING: I might say that the government has already had representations along the line my hon. friend has just mentioned, and it was our intention to see that those representations were made known to the Civil Service Commission. We will expect the commission to take them into account in connection with the revision.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I would judge from what the Prime Minister has said that the Civil Service Commission is to make the revision of salaries. Is he aware that the Civil Service Commission is just a little more than through with the last revision?

Mr MACKENZIE KING: No.

Mr. MEIGHEN: Is it the Civil Service Commission which is to make the revision?

Mr. MACKENZIE KING: I think my right hon. friend was in his seat when I made the statement the other day that the Civil Service Commission would be asked to do so—yes, certainly.

[Mr. Stevens.]

HOME BANK

On the Orders of the Day:

Sir HENRY DRAYTON (West York): The other day I drew to the Prime Minister's attention the fact that the extended commission in connection with the Home Bank allowed no inquiry into the formation of that bank and the circumstances under which its charter was granted. My right hon. friend said that the government would consider the question. Has the government yet arrived at any conclusion?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I think the House will agree that the government has been wise in not reaching a final decision on the point to which my hon. friend has referred until after hearing the discussion on the resolution which is to be taken up this afternoon.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Will the government lay on the Table of the House—which has not yet been done according to my inquiry—the petition from the Home Bank depositors on the basis of which the first order in council was passed calling for a commission investigation?

Mr. MACKENZIE KING: I will lay it on the Table this evening.

BUSINESS OF THE HOUSE.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I move that we proceed to Notices of Motion to take up the resolution which appears on page 19 of the order paper with reference to the Home Bank, standing in the name of the hon. member for East Calgary (Mr. Irvine).

Motion agreed to.

HOME BANK INVESTIGATION

MOTION BY MR. IRVINE FOR APPOINTMENT OF SPECIAL COMMITTEE

Mr. WILLIAM IRVINE (East Calgary) moved:

That, in the opinion of this House, a parliamentary commitee should be appointed immediately to investigate the Home Bank failure, with a view to discovering any weaknesses in the Bank Act which may be amended to prevent a similar occurrence; to devise some means of protecting depositors generally; and to make recommendations as to the possibility of saving the Home Bank depositors from loss.

He said: Mr. Speaker, I think it is somewhat unfortunate that through certain misunderstandings, which perhaps are difficult to avoid, and also through certain misrepresentations on the part of the press at times, I feel it incumbent upon me to say at the out-

set that I have not the slightest intention in the world of seeking to destroy the Canadian banking system. You will recall that our investigation of last year led to certain misunderstandings of that absurd character. Our investigation, of course, was dealing with the fundamentals of the finance system. Today we are dealing rather with the technique of that system; and while I believe that the time is coming when we shall have to have a new finance system, yet I want to see the system which is in vogue working as efficiently as it is possible for it to work while we are using it.

May I also add that in moving this resolution there is not the slightest intention on my part to seek to embarrass the government in any way. I recognize the difficulty of the situation with which the present government is confronted, and I am in hope that a frank discussion of this question by parliament, and some conclusion by parliament thereon, will be of some assistance to the government in dealing with this question before this session closes.

The resolution proposes a course of action by parliament in respect to a grave situation which cannot possibly be ignored. The House will recall that at the last session of parliament the Bank Act was revised, or, to be more specific, it was reviewed, and the pronouncement was made to the country that we had the best banking system in the world. Impressions were created both by the Bankers' Association and to some extent by this parliament that the banking system of Canada was on a very sound basis, that there was no chance of depositors suffering any loss whatsoever. That impression was undoubtedly created. The bill passed. And when we passed that bill we virtually said that this parliament can make no further improvements on this act, and upon this ground we granted a charter for ten years, notwithstanding the fact that a number of us pressed for the delaying of the ten-year charter for another year. But scarcely a year has passed when it is proven beyond the shadow of a doubt that there are grave weaknesses either in the Bank Act itself or in its administration. Under the present Bank Act, or in spite of the present Bank Act, wildcat schemes of financing have flourished undisturbed for decades. Gambling by responsible or irresponsible individuals who are regarded under the act as the guardians of the public savings has taken place. The depositors—including widows, orphans and the aged—are unprotected under this act; and recent events have swept the savings of 60,000 of the Canadian people away from them in one night. It is regrettable that it required a catastrophe of this magnitude to convince the general public and perhaps to convince this parliament—I will not say to convince the Bankers' Association—that there is need for amendments somewhere in the Bank Act. There are, of course, greater and graver and more fundamental weaknesses with regard to our finance system, than the failure of a bank, but I will not deal with them here. I will merely express the hope that parliament will not delay action on these until a greater catastrophe compels attention. I need scarcely remind hon. members of the series of events since the last session of parliament which have not only justified many amendments to the Bank Act which were proposed and rejected, but which have shattered the confidence of the public to a dangerous degree, impoverished thousands, and created a situation which makes action by parliament imperative.

To go no further back than just a few short months we find ample cause for that approach to panic which has characterized the action of the public with regard to banks, and that is also sufficient reason, I trust, to convince this parliament that something must be done. What are these disturbing events? In recent months two banks, which were considered beyond reproach, have been forced through their speculative proclivities to write off millions of dollars of loss. It was only by the merest chance—not by the prudence, not by the integrity, not by the efficiency of the management—but by chance that these losses were not sufficiently great to wreck the institutions concerned. This was closely followed by the absorption of the Bank of Hamilton by another bank, as the only possible escape from bankruptcy of one or both institutions. Then came the crowning calamity of this short period in the failure of the Home Bank with all its attendant losses, followed by a comatose condition of La Banque Nationale which was only revived by the injection of $15,000,000 from the Quebec treasury. And the end is not yet. I regret as much as any hon. member, the unfortunate circumstances that necessitate the reiteration of these unpalatable facts; it brings no special comfort to me to draw the attention of the House to the danger signal which points toward the future. I do so, however, because I honestly believe that it is within the power of parliament to avert the impending danger, and this resolution indicates one way of averting it. Not only have these unfortunate incidents undermined confidence, but there is no reasonable means so far proposed, either by the Bankers' As-

sociation or by this government, upon which confidence may be re-established. Our largest banks have, on an average, a surplus of about 12 per cent of assets over liabilities, but that 12 per cent includes frozen assets, profitless loans, depreciation of real estate, and fixture values, as well as bad debts. Our banking institutions are I submit not prepared for a situation which might very easily arise out of the present state of public opinion. If things go on as they are now going then further mergers, or the alternative of bankruptcy, is the inevitable destiny of a number of our financial institutions. In support of that contention I should like to quote one short paragraph from an editorial in the Vancouver Sun under the caption Canadian Banking System has Collapsed:

> When we say this, we mean it. We do not mean that the Canadian banks have collapsed but that their system has. The system of one man management; the system of public audit instead of government inspection; and the system which pays only three per cent on deposits and gives no guarantee; we repeat this system has utterly failed to sustain Canadian business and to maintain Canadian confidence.

When a paper of this repute and influence so boldly states that the system has collapsed, is it not reasonable for us to conclude that there is a very large percentage of the Canadian public that, with the editor of this paper, has lost confidence in the banking system? I do not need to tell this parliament that if the public have lost confidence in the banking system then the banking system has already gone, it cannot be maintained; and so the future can only be safeguarded by restoring public confidence. And public confidence cannot be restored by a pious expression of confidence on the part of the Bankers' Association. Public confidence cannot be restored by words from anybody, public confidence can only be restored by action; and the first act is to reimburse the 60,000 depositors who lost their money in the Home Bank failure. For I can assure this House that those depositors, with their families and friends numbering at least 300,000, a considerable percentage of the population, are not going to be lulled into quietness by assurances that this thing will not occur again. My argument is that the position of some of our banks is rendered more precarious by the well-founded fear inspired by recent events to which I have alluded. There have also occurred runs on banks which are evidences of the lack of public confidence. It is natural for people to think that the large banks are the safer institutions for them to put their savings in. It by no means follows that because a bank is larger it is safer, but it is nevertheless a general idea. Now that will lead to this—has already led to it; that the public will draw their money from the smaller banks—which may be safer in reality than the larger banks—and will deposit in the latter institutions, but with the result that the smaller banks will be wrecked. So that I prophesy—whether it be dangerous to prophesy or not—that in a very few years we shall have a considerable number of bank failures or a considerable number of mergers. One of these two results is inevitable under our present banking system.

In further support of the argument that the confidence of the public has been shattered, and that the shattering of that confidence endangers the whole banking system of Canada, I would refer to the fact that the deposits in the provincial savings banks have increased enormously since the failure of the Home Bank. I would also refer to the fact that a great many people, some my personal acquaintances, are hoarding their savings,—afraid to put them into any bank whatsoever.

So that it is in the interest of the banks, as well as in the interest of business and industry and in the interest of the depositors generally, that we should take some action in this parliament to restore the confidence of the Canadian public. "But," you say, "they will read the bank reports of last year", and these reports, you will contend, are quite reassuring being as they are filled with optimism. For instance, I have here the last report of the Bank of Montreal. It is an excellent report. I have also the report of the Canadian Bank of Commerce, another excellent report. But I have also before me the last report of the Home Bank of Canada, which is also an excellent report. Now, what assurance have I, or what assurance has any person in Canada, that there is any more ground for confidence in these other reports than there was for confidence in this report of the Home Bank? These reports of the Bank of Montreal and of the Canadian Bank of Commerce may be truer than that of the Home Bank, and they may not; there is no basis for assurance that they are not of the same character. A bank report in one month may prove the bank to be in a healthy state, while, the next month it closes its doors, and the auditors discover that the bank has been in a bankrupt condition for a decade.

Now I anticipate that some hon. members may advance, against this point, that the amendments to the Bank Act of last year will

provide ground for greater confidence in these bank reports than could have been inspired by the last report of the Home Bank which was made before the Bank Act revision. The Bankers' Association has anticipated this discussion, and has prepared for the edification of parliament a pamphlet entitled, The Bank Act, and seeing that they have dealt with this point, I must answer their arguments, because I am going to argue that there is a need for further amendment to the Bank Act. But if this report of the Bankers' Association contains the truth, then any further amendments to the Bank Act would be superfluous. So that I must of necessity answer their argument if only on this one point. I would say the Bankers' Association, endeavours in this pamphlet to which I have referred to establish confidence on a false basis, and I have noticed also that a considerable section of the press, simultaneously with the issuing of this pamphlet, came out with editorials making a plea that the Bank Act, the dear Bank Act, should be given another trial. Now I recall an incident of my early boyhood. I remember seeing a couple of youths trying to get two roosters to fight; they succeeded, and one of the roosters was severely beaten. He ran to his own backyard around the barn, and got up on that old straw stack among the old hens, and he crowed and crowed as if he had been the master of all the henneries of the universe. Well I would characterize this pamphlet as the cock-a-doodle-doo of the Bankers' Association. Listen to it. It says:

> But no one can candidly survey the business mortality—

Mark the word:

> But no one can candidly survey the business mortality in 1920 and 1922 without reaching the conclusion that the bankers of Canada have marvellously well weathered the storm and conclusively demonstrated the soundness of the system under which they operate and the general prudence and skill of the management.

With studied care they have ignored the tragedy resulting from the mismanagement, the imprudence of bankers and the incompetence of the system over which they crow, and when they come to dealing with the merger of the Bank of Hamilton they say:

> As to the merger of the Bank of Hamilton with the Bank of Commerce, it merely follows a long line of precedents that are numerous in Great Britain.

Now, if a doctor who had lost a patient with smallpox had said to the family, "Huh! this is following a long line of precedent very numerous in the Philippine islands," do you suppose it would be refreshing to the rest of the family? I cannot see the reassurance in that. Let me hasten to say that there is not a single clause in the Bank Act that gives any basis for such assurance as is put forth by the Bankers' Association. I claim that it is immoral, it is criminal, for any institution, or for any parliament, to endeavour to build up an assurance on such an unstable foundation as that. Now the bankers' pamphlet in an endeavour to create the impression that the system is now safe, points to the great rock of safety—the efficient management, the integrity and so forth, of the banks and the bankers. There is no great change in this regard since the Bank Act was passed. The banking system is such as to force prudent men at times to be imprudent, to force well-balanced men to take chances. I say, the branch bank system of Canada, which gathers all the funds from the four corners of the Dominion and centralizes them in the hands of a few individuals who must lend out that money, sometimes actually compels men to be imprudent. But to answer their point: We had prudent bankers before the failure of the Home Bank, and yet their prudence did not save the Home Bank depositors. We had efficient management before that, and that did not prevent this failure. If we have not been safeguarded by prudent management in the past, how can we feel sure that we shall be safeguarded by prudent management in the future? Prudent management is not enough.

The next safeguard which they lay down as a basis for confidence is a slight amendment to the clauses dealing with auditors, which were made at the last session of parliament. Now, there is no real safety in any scheme of audit. I am sure every hon. member will agree with me in that statement; if not I would be very much amused to hear some hon. gentleman argue the contrary. There is no real safety in any scheme of audit, and no real safety in any type of auditor. There is no scheme of audit provided for by the Bank Act which will warrant the public of Canada feeling safe with regard to any bank in Canada. The government system of audit, which was defeated largely at the behest of the representatives of the Bankers' Association last session, would come nearer being a safeguard than any other type of audit, but we have not got that, because the Bankers' Association said it would not work, or offered some such excuse as that. But by a strange disregard for logic, the Bankers' Association are more nearly correct in the latter part of their pamphlet, when arguing against the advisability of providing a guarantee to depositors. In this regard they say, first, that there can be no

guarantee of deposits which would be practicable, because deposits are without limit. I am glad to hear the Bankers' Association admit that. They would not admit it last year. We argued that deposits were without limit, and since deposits are without limit, the loans are without limit, and since the loans are without limit, we are virtually under a system of limitless issuance of paper currency. But they tried to saddle that on me and to say that I was a Bolshevik financier, who wanted to start a paper mill down in Ottawa to turn out bank notes. That was the impression they gave, but they virtually have that system now. I just point that out in passing.

Listen to this. On page 15 of the pamphlet they argue—in fact, they state—that deposits are a fourth mortgage. I hope that all depositors will realize fully their proper relationship to the bank. They have got a fourth mortgage which cannot go into effect if the first one goes into effect, because there will not likely be anything left with which to meet the fourth mortgage after the first, second and third mortgages have been paid. But here is the crowning absurdity of the Bankers' Association statement, and one which ought to be sufficient to induce that association to hire a logical thinker to prepare its propaganda. After having argued as to the safety of depositors under the audit system which was provided at the last session of parliament, and finishing that section of the pamphlet with the striking, self-evident fact which I quote:

> A law under which an unsound bank dare not continue to operate is a law which is effective.

—which was intended to apply to the present Bank Act, but which obviously does not; after having said that and argued that the auditing system is sufficient guarantee, the pamphlet releases the ferocious feline from the bankers' bag of tricks by proving the impracticability of guaranteeing deposits. The writer of the pamphlet had forgotten all about his previous argument, about the safety provided by the new audit system. That had been completely wiped from his mind, and this is what he said:

> If we had a system of guaranteeing deposits, there would then not be the same inducement to prudence on the part of the bank manager. He might, and very probably in some instances would enter upon speculation, incur grave risks, gamble on a chance with his funds knowing that if misfortune overtook his bank the depositors would suffer no loss.

May we not ask the Bankers' Association where their auditors would be all this time; the auditors considered a page or so before to be sufficient for the safeguarding of the depositors? Could the auditor who is so well fitted to protect deposits not stop this banker who had forgotten about his prudence, who had gambled with public funds? In other words, if the audit is so perfect as to constitute a safe basis for depositors, would it not prevent a bank manager at the same time from gambling with the depositors' money? That is where their lack of logic lands them. No, there is no safety for deposits under the present act, and those who argue that are only opening the doors of a fool's paradise. The general public must have some assurance of safety beyond any provision that now exists. If this is not given, members of this House would not be honest with themselves if they endeavoured to restore confidence on the present basis. Therefore, in the best interests of the banks themselves, of business and of depositors, I urge that something must be done.

Some hon. members may argue that that is a pretty vague statement to make—something! —and no doubt a number of hon. members will ask: "Yes, but what is the something?" That is what I want the committee for. This resolution calls for the appointment of a parliamentary committee to find out what "something" should be selected. I cannot imagine any member of this House, however, disagreeing with me on the necessity for doing something at this time. We are dealing now, not with theories of banking, theories of finance, but with a menacing situation.

I will briefly state what, in my opinion, might be done under the purview of this resolution. First, though perhaps not most important from the future national viewpoint, the depositors of the Home Bank should be reimbursed. But immediately someone will say: "How can that be done?"

4 p.m.

And some may even say that it cannot be done. I reply that this parliament should say unequivocally that it must be done; first, as a basis of re-establishing the necessary confidence for the continuation of banking and business in Canada; second, from the point of view of justice to those who have lost their savings in the Home Bank failure. While it is not for me to outline exactly how that should be done, yet I might intimate that, so far as I am aware, there are only two sources from which funds sufficient to reimburse the Home Bank depositors could possibly come. The first is from the banks themselves; the second is from the public treasury. Frankly, I believe

that in view of the nature of the charters under which the banks do business, it is the bounden duty of the banks to make good the loss of the Home Bank depositors and to create a fund, as well, which will be a guarantee against a similar occurrence in the future. I will go so far as to say that parliament should make it known to the Bankers' Association that unless this is done, their charters will be cancelled.

With regard to the other source, it will no doubt be argued by some that it is unfair to tax all the people of Canada to make up the losses of a few of the people of Canada. That sounds plausible; but since we, the representatives of the people, are ultimately to blame for having failed to safeguard the public interests to the extent that a large section of that public has sustained a severe loss, the people must be prepared, if necessary, to pay for the blunders of their representatives. In any case, it is going to be more difficult to continue with a banking system which is really now taking away from the many in order that the few may have some, than it would be even to tax the general public to make up the loss of the Home Bank depositors. It is going to be infinitely more difficult to continue a system which permits bankers to gamble with the savings of the people without giving any guarantee to depositors. In this connection, may I quote a pararaph from the editorial column of the Ottawa Citizen which suggests another way of doing this:

> When the Canadian Northern Railway defaulted during the war, the government found it feasible to make an issue of financial credit from the national credit reserve. It would seem to be quite as necessary to protect the interests of bank depositors, as of railway financiers. National interests are just as much involved in the situation created by the failure of the Home Bank as they were in the failure of the private railway companies.
>
> Perhaps the government and the Canadian Bankers' Association do intend together to consider the possibility of taking care of the Home Bank depositors.

But another point of even greater importance than that of reimbursing the Home Bank depositors is that the Bank Act must be amended so as to provide, so far as is humanly possible, against a similar occurrence. This could be done perhaps by instituting some method of government inspection. Such a proposal was repudiated last year both by the bankers and this parliament, but I shall quote a short extract from Mr. Clarkson's official report to show that had there been a government inspector or auditor as far back as 1915 or 1916 the true position of the Home Bank would have been disclosed with much less disastrous results to the public. He says:

> It is submitted that an audit in 1916 would have revealed the fact that there was an absolute and definite loss to the bank of $500,000 in respect to the New Orleans deal, which, in itself, would have wiped out the reserve of $300,000 and impaired the capital to the extent of $200,000. It would have disclosed that the so-called Pellatt loans were advances on securities of loan companies which were in effect indirect advances on the security of lands contrary to the provisions of Section 76 of the Bank Act. In addition to this, it would have shown that to a large extent the business done by the bank was not a regular banking business and that there were potential losses in many other accounts where interest had been accumulated on "frozen" and unreliable securities.

Since the bank was in this deplorable state of potential bankruptcy since 1916 and continued well on until 1923 without the public knowing anything of the risks they were taking as depositors, is it not possible, and even probable, that there are other banks in the same condition, their annual reports to the contrary notwithstanding?

What might render the appointment of a government auditor not so necessary would be guarantee of deposits. That is, as a condition of granting them their charters we should demand of the bankers that they set aside a fund as a guarantee to depositors. What is the actual situation to-day? The bankers take deposits without giving any security at all. They conduct their business almost entirely on these deposits. But they also gamble with them. If they win in the gamble they retain the winnings; if they lose, the depositors suffer. Or to put this in another way, the bankers own the banks while these institutions are making profits, but when they become bankrupt the depositors take the place of the bankers and bear the losses. The Bankers' Association in their pamphlet go into this question of a guarantee fund at some length in an effort to show its impracticability. I would refer hon. members to the pamphlet, for I believe they will find it the very best argument to prove not only the practicability but the necessity for providing the very security which the bankers object to.

Now, if the House agrees with me that something should be done, although there may be wide disagreement respecting the definite proposals which I have suggested, may I hope that all hon. members will endorse my statement that not only must something be done, but it must be done now, and no further dilly-dallying permitted? Immediate action is required in the best interests of the banks themselves. I need not recapitulate; I merely refer to what, I submit, I have already proven, that public confidence has been shattered, and that unless something is done to restore that confidence we are going to have more bank failures, we are going to have more bank mergers, we are going to have more difficulty

in doing business, and a larger section of our population is going to suffer.

But there is a human element to this that I want to draw to the attention of the House. Approximately five hundred accounts, aggregating $190,000, were lost in the Home Bank failure in Blairmore alone. Now, fifty of those accounts were in the names of little school children. Just think of the lesson to Young Canada which comes from that! A banking system that is heralded as the best in the world walks off with the savings of little children! Surely that is not a good argument for our citizens of to-morrow, neither is it a very good basis upon which to construct a real, sound Canadian patriotism. Ten widows lost all their savings and insurance moneys in the failure, in this same town. We are all champions of the widows and orphans,—shall we not do something for them now? Surely we are not going to let this opportunity pass of coming to the assistance of these widows who have lost all their means through the incompetence of parliament in years past—through the carelessness of the representatives of the people. But this is not all. At this same branch there were one hundred and ninety savings accounts in the names of working girls and married women. Two hundred and fifty accounts were in the names of miners.

I will not detain the House with any further tragic stories from Blairmore, neither will I deal with the distress caused by the failure of the bank in Fernie and Coal Creek, although I may say that I have a long list of sad stories that would make very moving reading. But I will refer to one or two other features. The Blairmore school district, for instance, which sustained a loss of $10,000 in the Home Bank failure, may be forced to close its schools; many workers that had saved some of their earnings through years of toil, and were depending upon these savings to carry them through periods of unemployment and other difficulties which confront the ordinary mortal from time to time, find themselves practically penniless and in distress; merchants of the town were also affected, and their inability to advance the necessary credit to their customers is bringing about a most depressing condition in the community.

I would again emphasize the point, that, apart from the business necessity for doing something at once, there is the human element—sixty thousand distressed people are looking to this parliament for immediate relief. We cannot ignore their plea; we must respond, and at once. I repeat, parliament cannot ignore this tragedy; it must act at once. If it is agreed that something must be done, and

that at once, I hope hon. members will be of one mind that parliament must do that something. We cannot throw our responsibilities upon anyone else. We cannot even pass them on to the shoulders of a royal commission! This is expressly the business of parliament. I would appeal to the Prime Minister in this regard. Perhaps Canada has never before had a prime minister who has stayed more closely by the principle—at least, in utterance—that parliament should be the final authority, and should be consulted in all matters of public interest. Surely, here is an opportunity to put that principle into practice on a matter of urgent public importance, a matter that does not enter into the political arena at all,—or should not; if it does it will be a tragedy. This is a matter in which all hon. members may co-operate in order to meet a definite and menacing situation. In that regard I want to quote one sentence from the Winnipeg Tribune:

> Neither the government nor parliament has any right to evade responsibility for any part of the Home Bank inquiry by the reference to a royal commission.

My resolution asks for the appointment of a parliamentary committee to investigate this matter, with a view to amending the Bank Act, if it is found to be faulty in any particular; to provide for a guarantee for depositors; and to recommend some means of reimbursing the Home Bank depositors. I anticipate that it will be argued as against the appointment of this committee that a royal commission has already been appointed and it will therefore be superfluous to appoint a committee of the character asked for by the resolution. I am aware, of course, that the commission has been appointed, but if you have read carefully the ground which the commission had been instructed by the Privy Council to cover you will be convinced that there is a difference between the ground of the inquiry and the result sought, in the case of the royal commission, and those which apply in the case of my resolution. I will merely summarize the instructions to the royal commission. It is to decide what representations, if any, were made to ministers of finance in 1915, 1916 and 1918—that has been extended to cover the period from the granting of the charter to the bank until the time of its failure. Next, whether such recommendations by the directors of the bank warranted any action on the part of those then holding the office of minister of finance. They have to inquire also whether the ministers of finance took any action, and if so what action did they take. They have also to inquire what would have been the prob-

able result had such action been taken in the said years, 1915, 1916 and 1918, and so forth. Then they have to find out what was the financial position of the bank at that time and whether the institution could have been saved by some action of the government of the day.

Mr. MACDONALD (Pictou): If my hon. friend will permit me, does he understand that the references to the commission in that first order in council were based upon the statements contained in the petition presented to the government on behalf of the depositors? The order in council follows the allegations of the petition.

Mr. IRVINE: I quite understand, Mr. Speaker, the basis upon which the commission was drawn. I wish also to add that, as hon. members know, the scope of the commission has been extended to cover the whole period of the bank's existence. I suppose it would be of some value for Canada and for parliament to know whether any finance minister was negligent or whether he was not, or which finance minister was negligent and which was not. That would be of some political interest at least. But for the life of me I cannot see how that would affect the Home Bank depositors. I cannot see that the discovery that Sir Thomas White or some other minister of finance had been negligent would put one dollar in the pocket of a depositor.

Mr. MACDONALD (Pictou): If my hon. friend will again permit me, the petitioners, representing, as they alleged, sixty thousand depositors, stated that if these allegations were true it would become the duty of the government to reimburse the depositors. The government have isued a commission for the purpose of ascertaining whether or not the allegations are true.

Mr. IRVINE: I would like to ask whether the minister has assured the depositors that in the case of the finding of negligence on the part of some minister the government has decided to reimburse the Home Bank depositors? If that is the ground upon which the commission was appointed, I think my question is a reasonable one. If they are not prepared to do that, what is the use of going to the expense of appointing a royal commission in the matter? But I find, on the contrary, that the government has very carefully safeguarded itself against making any such allowance. The order in council says:

> The petition alleges that, for reasons of a public and national character, owing to the state of war then existing the then Minister of Finance may not have deemed it advisable to exercise the power—

And so on; then it says:

> In view of the foregoing allegations the Committee of the Privy Council, without in any way accepting the view that in the circumstances mentioned it is proper for the government to expend moneys in the relief of the depositors of the said bank, are nevertheless of the opinion that it is expedient that an investigation should be made—

And so on. Now, if the government are not prepared to carry out the findings of the royal commission should negligence be found on the part of a government official, why put the public to all this expense? So we will wait, and I hope that the government, if they are not going to adopt my resolution, will definitely make this promise to parliament to-day. Otherwise we shall have to charge them with spending money foolishly. I am in hopes, however, that they will make that promise.

Frankly I have not much faith in royal commissions in matters of this kind. Royal commissions have in one or two outstanding historic instances been of some service, although I do not recall those instances myself. I will not be so sweeping in my criticism as to say that a royal commission never did any good. But I think perhaps I could put it better by quoting a paragraph from a correspondent in the Ottawa Citizen of yesterday. Now, this correspondent is a very prominent Canadian; perhaps you will recognize the writer from the tone of his letter. He says:

> A government fears to face a question—a problem to be conveniently shelved—political friends in need of a job; and so your royal commission is set up, and with the usual benedictions, references—and expense money—goes on its costly way. What happens then is told chiefly in the auditor-general's report. Huge travelling expenses, private secretaries for commissioners, clerks, stenographers, prolonged hearings—and finally a report which nobody reads, much less acts upon, and which serves chiefly as additional printing contracts for others of the hungry faithful.
>
> I have sat in the parliament press gallery for twelve years. During that time I have seen countless royal commissions come, take their toll, and go; yet offhand I cannot recall a single report of a royal commission being translated into law. Not a single one.

I am not suggesting that any of these things apply to the government's intention in appointing a royal commission in this case—not in the slightest degree. But I am arguing that the public has just about as little faith in a royal commission as this man has. That is a fair and accurate representation, to my mind, of what the general public thinks of royal commissions, and it is a fair and accurate statement as to the results of royal commissions in the past. So that I have very little faith in the royal commission in this case doing very much.

But that is not the only reason why I press this resolution notwithstanding the appointment of a royal commission. We want action, and the royal commission proposes no action. The government did not say they will do this, that or the other thing; all they say is that they will get some information. Now, that information may be a dangerous thing so far as getting right action is concerned, because the royal commission is going to land the whole thing into a political squabble. How, you say? Well, I imagine it will be very good political propaganda. If it can be shown, on one hand, that Sir Thomas White committed any act of negligence whatsoever, I would imagine that the opposition, true to their past and standing on the dignity of their party, would naturally come to the defence of one of their party. Then, on the other hand, according to the public press the name of the hon. Minister of Labour (Mr. Murdock) has been associated with the Home Bank, and it would be in the interests of the party to my extreme right to make as much political capital out of that as possible, and in the interests of the other party to smooth it over, if anything was to be smoothed over; and even the party to my immediate right the Progressives, have some interest, because the hon. member for Marquette (Mr. Crerar) had some dealings with the Home Bank in its earlier stages and this investigation is going to cover the whole field. So the three major parties in this House are interested in a political sense in the findings of that commission. Only the Labour party has no clothes to wash in this matter.

Mr. MACKENZIE KING: May I ask the hon. member a question? Concede for a moment that all he has said just now is perfectly accurate; is it his opinion that there would be less of political squabbles if this investigation were made by a parliamentary committee rather than by a judicial body such as the commission?

Mr. IRVINE: I am very glad the Prime Minister has asked that question because it gives me an opportunity to point out more clearly just what a committee would do. According to the commission given by the Privy Council, the royal commissiion, to put it briefly, is to find some goat upon which to place the responsibility for the Home Bank failure. Now, a parliamentary committee would not be looking for a goat, it would be looking towards the amending of the Bank Act and towards reimbursing the Home Bank depositors. There is a basis for co-operation. Let the royal commission go on and find the goat if it wants to find one, and then we will have a political squabble to boot; but do not let us mix up a political squabble with the immediate demands of sixty thousand depositors who have lost their money. There is the point.

Mr. MACDONALD (Pictou): I assume my hon. friend does not want to be unfair, but every criticism he is making of this royal commission is a criticism of the assertions made by the depositors themselves, who came to the government setting out only these facts which we are investigating, and asked for a commission—the most impartial tribunal you could get in this country, consisting of the chief justice of a province where there are no Home Bank depositors, a learned jurist and a man who is not being paid for his services.

Mr. IRVINE: My hon. friend, being an able student of law, understands, I have no doubt, the reason for that presentation of the case by the Home Bank depositors just as well as I do. He understands that they cannot come to this parliament with a direct plea that they be reimbursed; but on the special ground that during war time and in the public interest the finance minister of that day allowed this thing to go on, they want to make a compassionate plea to this government for reimbursement, and my hon. friend is aware of that. They had no other foothold than the one they took, but parliament has. We have another foothold, and I want to get that now; that is why I want this committee.

Now let us follow the argument just one step further. We want action at this session of parliament. The government cannot give us an assurance that the commission will be done with its sittings this session; indeed, it cannot assure us, perhaps, that the commission will be done next year. It has not assured us that there will be any report made when the commission has done its work. It may report this year, it may report next year, it may report never, and every day we are getting farther away from the tragedy and there will be less inclination on the part of parliament to do anything. This is the time, this is the moment for action, and I submit that the way of the royal commission is the way of death to the hopes of Home Bank depositors if we are not very careful. On the other hand, the parliamentary committee would get action immediately on the points that are of immediate interest. It need not necessarily clash with the investigation which the commission is to make. I have pointed out the difference. Of course we want to know if our public men have

been culpably negligent, because it would serve us in good stead during an election, it would give us material for speeches; it would be "good stuff,"—so to speak—we want that; but more than that, we want reimbursement of the Home Bank depositors; and more than that, we want the Bank Act so amended as to make this thing impossible in the future. Then the parliamentary committee would secure full co-operation.

I do not believe there is a party in this House that would dare, in a parliamentary committee of the character I am asking for in this resolution, to make political capital out of the situation; I do not believe that they would want to. I would like to see the government take parliament into its confidence in this matter of public interest, and give parliament a chance to co-operate. I believe it would work. I believe we would find a way out, and particularly would it be of advantage to the government, situated as it is in a minority, and perhaps forced, if it takes action at all, to take action which would constitute a precedent; it might be to the government's interest and advantage to have the full co-operation of parliament in anything that might be done. And so I would urge the government to accept my resolution. I urge it now in all sincerity. I urge it with the very best of motives. It may be that hon. members will show how badly mistaken I am in doing this, but at least grant that I am sincere, and I am just as assured that the government is sincere; and if they are sincere, as I believe they are, they will listen to my argument and they will see the advisability of appointing a committee in order that the action which is necessary may be taken immediately.

But if the government will not accept this resolution and will not support it, I have three questions that I want to put, and I hope that the Prime Minister or some other member of the government will give specific answers to them.

1. If the committee is not given, can the government guarantee that the commission will report to this session of parliament in time for parliament to deal with any recommendations which the commission may make?

2. Will the government promise that the depositors of the Home Bank will be reimbursed from some source, or in the event of the commission discovering negligence on the part of any government official at any time will the government promise on that ground to reimburse the Home Bank depositors?

3. Will the government give a reasonable assurance that the Bank Act will be amended this year, either as I have suggested or in some other way that will meet the requirements more adequately?

Mr. E. C. ST. PERE (Hochelaga) (Translation): Since, Mr. Speaker, the failure of the Home Bank, the Canadian and foreign press have never ceased commenting upon the unfortunate consequences of this financial disaster. Not only those most intent on being reimbursed but the public at large have shown considerable interest regarding the charges made and explanations given. Indeed, the failure of the Home Bank has been a national calamity. Those who are more directly concerned are mostly humble toilers, and, as sympathy is still deep-rooted in the Canadian soul it naturally extends to those who suffer after having endeavoured to economize. Therefore, all expect that this parliament, this government, and the bankers will find means of coming without delay to the rescue of the unfortunate depositors. I mention this parliament, Sir, for it is not to a party in particular that the losers, at present, direct their appeal. They submit this request to the whole House, for their common misfortune ignores party differences.

This banking disaster did not spare my constituency which, already, had felt the sad effects of a similar catastrophe when the run on the Ville-Marie Bank took place. At the time the Banque Nationale was established, the Hochelaga district was chosen for a branch office to carry on business, and following the merging of this banking institution with the Home Bank, the latter made strenuous efforts and did much canvassing to establish a good connection with thrifty depositors. I lay stress, Sir, on "a connection with thrifty depositors" so as to bring out the kind of transactions carried on by the Home Bank in our midst. "No discount or very little" such were the instructions given to their local manager. A fine institution, an institution which obtained from our workmen all their savings, to have outsiders benefit by them! As "to helping" the local trade, no one gave it a thought, or, to express it better, they refused even to give it a thought.

More than 1,800 residents of the suburbs of Hochelaga and Préfontaine as well as the church wardens of the two Roman Catholic parishes of the same district saw their savings and parish revenues, to the amount of over $300,000, engulfed in this failure. It is, therefore, easy to under-

stand the extent of the moral and financial disaster caused by this wreck of a bank that all thought established on a sound basis. Thrifty workmen, widows, guardians, old people, lost all they possessed, less 25 per cent received a few months ago. Useless to add that the future is a source of worry to them. They appeal not only to the government but to parliament and to the banks to obtain assistance.

Their request for help is based, first, on the following contention that the government, parliament and the Bank Association must recognize that the depositors were insufficiently protected by the Bank Act of 1913, but which was amended in 1923. The depositors contend that this act gave a free hand to unscrupulous bankers to include in their financial statements to the government, bad debts or loans of a doubtful character as forming part of a liquid asset easily redeemable.

While reading over attentively a passage in an editorial of the Gazette, the proposed amalgamation of the Hochelaga bank and Banque Nationale is highly approved, we find a censure of the old system of reports to the government, in the approval given to the system established since last autumn. I shall read the English text following it with the French version:

The amendments to the Bank Act made last session of Parliament appear to have directly affected the career of the Banque Nationale, as the penalties provided therein against a banking institution making returns not entirely justified by the banks true financial conditions were such as to deter the management from attempting to include doubtful debts or actually bad ones as a part of its current assets. It is understood the position of the Banque Nationale was of a character that, had the government not arranged for its absorption by the Banque d'Hochelaga and given the new combined institution a line of credit, failure of the Banque Nationale would have resulted thereby injuriously affecting a number of solvent institutions and creating a very widespread depression. It must be remembered that the Banque Nationale had 230,000 depositors, citizens and traders in the province of Quebec, who would have been at least temporarily without funds to pursue their avocation and in many cases, unquestionably, this would have led to real distress.

The text is explicit. "The present boards of directors of our banks would find it impossible, under the new act, to 'deceive' the government." The old act, therefore, did not provide the same safeguard for the Department of Finance. The depositors, therefore, conclude that they have been the victims of the defects of an act, and it is in their interests as well as those of the country, not to let them be crushed by a legislation forgetful of their rights of property and of the safeguards enacted for the protection of their savings.

[Mr. St. Père.]

I further state, Sir, that these depositors are neither distrustful nor pessimistic. They do not even see in the working of the Canadian banking system, the cause of all the great financial disasters, such as the failure of the Home Bank, but it is on the inefficiency of an act leaving an open door for false statements to slip through that they base their claims upon. And they are right in so doing.

The depositors request assistance on another plea. It is of a purely economic order. These unfortunate people were, no one will deny, producers of capital, this child of labour and thrift. The thought and cares of the future, the natural longing for a lasting improvement of their condition, at the cost of an increase of labour and sacrifices dating back a number of years, had induced these people to deposit regularly their savings at the wickets of the Home Bank. And these savings what did they intend to do with them? To wipe out mortgages, to provide for their old age, to defray the education of the children, to guard against the days of unemployment, and so forth. In a word, it was forethought under the name of thrift. To refuse to come to their assistance would be equivalent to convincing them, that to provide for the future and economize, are but passing virtues, since the governing powers would refuse to recognize its worth and merit, in days of great financial catastrophies.

My policy, Sir, was never one of sowing gloom and pessimism, but I have never failed to look at facts in the face. How many persons have come to me to tell me that they had no further desire to economize; some have stated to me that they would hoard their savings in the future, and what is more, little children have declared that their savings would not be deposited in the school banks. What is the use of saving, all seem to exclaim in chorus, if our denial and sacrifices of legitimate pleasures are but a source of disappointment and regrets? Let the most crafty economists, the financiers of our "Wall Street," the most skilled bankers bring them such consolation as: They must take courage, the future belongs to those who struggle. All these depositors, robbed by an administration to say the least ignorant of the most elementary principles on banking,—I am sorry I cannot say more, the directors of the Home Bank are, at present, awaiting their trial—will answer their comforters in the manner in which the old Jew of the novel of Edmund About did to his son who had lost his money: "Do not say that you will earn again this money; money lost is never again earned."

I previously stated, that a reason of an economic nature justifies their request. All the merchants of my division approve of such a reason, as it is fully shown by a resolution recently passed by the association of business men of Hochelaga and Maisonneuve, Indeed, the credit for articles of consumption has been greatly perturbed by this failure within the boundaries of the districts where the Home Bank carried on business—with the depositors, I mean—we all know that there exist very numerous cases where credit for the necessities of life is justified, and I might add that in cities this kind of credit is necessary. It is owing to the savings from his salary, during profitable periods, that the workman can set aside a reserve for rainy days. It, therefore, follows that the loss of this reserve places him in the impossible position of meeting his bills, and, consequently places his tradesman in an awkward financial position, easily understood. All the merchants of Hochelaga were set back by the failure of the Home Bank. They associate their request for assistance with that of their unfortunate clients. Local trade would return to its normal state if our intervention gave the depositors the means of entering into possession of the balance of their savings.

The depositors appeal to our parliament because they think it is in a position to emulate, with the co-operation of the banks—for the latter would benefit by re-establishing confidence among the depositors—the generous action of the Quebec government towards the depositors of the Banque Nationale.

It is necessary to remember—states the Montreal Gazette—that the "Banque Nationale" had 230,000 depositors recruited among the citizens, tradespeople of the province of Quebec, who, in many cases, would have found themselves temporarily without funds to carry on their business, this fact would undoubtedly have been the cause of real distress.

Have not the 60,000 depositors of the Home Bank representing an aggregation of about 400,000 people, the same acquired rights as those "temporarily without funds?" Let us again read the Gazette: Its extracts are interesting and justify the benevolent attitude that parliament should adopt towards the depositors of the Home Bank:

Sir Robert Horne, speaking before the Canadian Club, recently, remarked that credit was at the basis of commerce and prosperity of all countries, and that anything which would prejudice the credit of Canada, and particularly of this province, was of a nature to create in finance and commerce a degree of confusion difficult to gauge at present. Two eminent bankers, Sir Vincent Meredith and Sir Herbert Holt, shared the same opinion and although not condemning the principle of the bill, favour the latter and approve the idea of the government of safe-guarding the credit of the province and maintaining the indispensable stability of its financial situation.

These three great financiers will, no doubt, be the first to admit that the failure of the Home Bank—failure which extends to many provinces—has thrown such confusion into commerce that it is difficult to describe. They will admit, moreover, that the intervention of the government together with the banks would contribute for the least "to the financial stability" of those who were plundered through the failure of the Home Bank. I state again that this failure occurred as a result of special developments and under the purview of an act that gave no assurance as to the truth of the statements forwarded to the government.

An hon. member recently stated in this House, that business and sympathy were always at loggerheads. Yes, if we consider the existence and prosperity of a people as being intimately linked to the conception of living so as to devote ourselves to things material; no, if the conception of that existence and that prosperity has a more latin turn of mind, that is to say, if while appreciating the business end of it to its full value we insert in the solution of certain financial problems, an amount of good-will—a moral virtue which disposes us to wish well to our fellow creatures regardless of our own interest, and which is the more so justified that its commandments impose upon us greater sacrifices. The depositors of the Home Bank expect this good-will from the hon. members of this House.

I know, Sir, that the request made by the depositors meets with some opposition. The objection is that no law protects the depositors. This is a reason more to implore in their favour for it would be an opportunity to do away with this new maxim of "nullum jus, summâ injuriâ." Let us not forget that those who take refuge behind strict legality—the absence of a protective law for the depositors is strict legality—for those who oppose their request—and exact their pound of flesh, are sometimes very unjust. Let us put justice to a true test! It resembles that leaden tape of the Lesbian architects, which conforming to the irregularities of the stone, follows its shape and contours.

Are we to re-imburse the depositors from the public treasury? The answer of the depositors is this: The King, in the words of the statute, can do no wrong, but let us not forget that the kingdom is not for the King, but the King for the kingdom, and that it is easy for him through the voice of his parliament to remedy the ill effects of a law having brought on a disaster. Moreover, since when has the soul of the Canadian people so much changed? Has it decided not to lean any more towards

the humble and refuse to listen to the complaints of those who suffer? The depositors have a right to their money. Let us make an appeal to justice to render unto others what belongs to them. On the other hand, the Canadian people—and it would be such a trifle to them—would be performing such a worthy act of charity by giving what is theirs to the depositors.

The duties of charity and justice differ; but, if we must not confuse them let us beware of separating them, for they are closely linked together.

This re-imbursement would create a dangerous precedent. Not so, if we are to take the word of certain bankers conversant in the matter, who assure us that the new Bank Act will prevent false statements in the reports forwarded to the government, and consequently also prevent failures. Moreover, must not the first cares of a legislator be those of establishing the rightfulness of his orders by showing that they conform to the dictates of conscience? What beautiful and laudable precedents would we establish if they always agreed with them.

The Bank Act will be held in greater respect in the future, are we assured. So much the better! If not, we would be justified to apply to it Shakespeare's word:

> ...It is a custom
> more honoured in the breach
> than in the observance.

The Home Bank was not the only institution where depositors could place their savings. They lost; so much the worse for them. They should have chosen a sound bank. They are responsible for their actions. May Heaven come to their rescue! It is true, they were free to place their savings in a sound bank; but was it not preached to them in all possible manner and in all the newspapers that the Canadian banking system rested on a sound basis? Has it ever been explained to church wardens, who are obliged according to law to deposit the parish funds in chartered banks, what institutions are covered by "this" or "these" sound banks? To choose a sound bank? Would the banks have dared to advise the public at large, previous to the Home Bank disaster, such a thing as to deposit in a sound bank? Certainly not, for they would by the fact have hinted to the depositors that there were some tottering ones among them, a statement which would have been in direct contradiction with their conception of soundness throughout the whole banking system, and, including all of its constituent units.

[Mr. St. Père.]

Are the depositors responsible? No, for the failure of the Home Bank cannot be attributed to them. "But, might it not be said: they should have known that the government did not guarantee and does not yet guarantee the deposits in banks. Civil justice makes no allowance for the plea of ignorance. To this we answer that a great number had no knowledge of the law, but had an unshakable faith in the soundness of banks, impressed upon them through the reports published in the official Gazette of Canada, in the name of the shareholders and by the statement of the highest integrity of the board of directors of banks. Now, that they have been wronged because they believed in the honesty of others, a sentiment which disposes us to trust in them, to confide to them even that which they might take advantage of to our detriment; because these people had this frame of mind of trusting in the constituted authority; because they shared this feeling of security. inspired by the great Canadian financiers and, what is more, by certain financial newspapers of high standing, which, commenting on the debates of the sittings of the banking committee of 1923, ridiculed and qualified as idiots and fanatics those among the members who insisted on more guarantees for the depositors, and a more thorough system of inspection, we now say to these people: "Be gone, you were wrong to believe in the truth taught in this maxim of Latena: "Confidence is the esteem of oneself extended to others." I ask, Sir, should not responsibility before the law be altered in favour of the depositors, in view of such a situation?

A number of resolutions appear on the orders of the day. Nothing must be neglected in these days, for hardships prevail among a great number of families, merchants complain of delay in the collection of debts, finally, this failure has created a kind of panic in many provinces. To come to their rescue would give the measure of the efficiency of such legislation in the shape of whatever results are secured, and it would be judged accordingly to the actual benefit derived from it.

The government has decided to hold an inquiry into the affairs of the Home Bank. Let it be thorough, even if we have to go back to the days when Mgr. Charbonel received as a deposit the first savings of the diocesans of Toronto. No one should be spared. Let it have a practical result.

In closing my remarks, Mr. Speaker, allow me to support the request for assistance and relief addressed to the government, parlia-

ment and the Bankers' Association, by the 400,000 afflicted, anxious of learning what will be our attitude, by the passage of this encyclical letter where it is written: "that the rights wherever they may be found" must be religiously respected; and the state must guarantee them to all the citizens by preventing or by avenging their violation. However, in the protection of private rights, it must make special provisions for the failings of the poor. The wealthy class in a way make a rampart of their wealth and are less in need of public protection. The poor on the contrary, without means of guarding themselves against injustices, rely especially on the protection of the state. If the law of justice, Sir, does not provide for all men a sufficiency in all their wants, there will always remain, let us not forget, a wide field of auxiliary and sublime usefulness open to compassion and charity.

Mr. R. J. WOODS (Dufferin): The hon. member for East Calgary (Mr. Irvine) has so ably and fully covered the ground in his admirable presentation that there does not appear to be very much left to say. However. I wish to corroborate some of his statements, and, if possible, to present some new thoughts in connection with the banking system of Canada. Money as it circulates through the community may be regarded as the life blood of the country. Trade and commerce, all the varied enterprises of the nation, are dependent upon an efficient and stable currency. To my mind it is beyond question that our people generally have regarded the banks as safe places in which to deposit their money, and parliament in any legislation touching banks should do its utmost to protect the interests of the public. If parliament fails to do this, then it is undoubtedly lacking in that proper regard which it ought to have for the welfare of the people. We as members of parliament should thoroughly realize the responsibility that devolves upon us as legislators to do our utmost to protect the public interests in this respect. Canadians have been in the habit of depositing their money in banks, not as an investment but in order that it might be safe and available when they needed it for immediate use. In that respect deposits of savings are very different from deposits of money required for investment in industrial enterprises or for purposes of speculation. The people felt when they were making these deposits that the banks were perfectly safe, and that they could get their money at any time they needed it. The failure of the Home Bank came to them as a terrible shock. We have heard this afternoon what happened, by reason of that failure, to various classes in the community who had placed their savings in the Home Bank quite confident that the money was secure beyond all question. We have heard this afternoon of many people who have deposited money in this bank for safe keeping who have lost it all. We have heard about the labouring classes,

5 p.m.

young men and young women, who deposited their money expecting to be able to withdraw it when they required it and who have been unable to do so. Alas, the failure came. Men and women, widows, hard-working men, old men and old women who desired to withdraw their money from this bank found the door closed, and a sign above it "No admittance". Some of these widows, I believe, had deposited the life insurance of their deceased husbands which was probably their sole means of sustenance, and it was all lost. Old men who had retired had deposited in the bank the little bit of money they had saved, and these men were unable to obtain even a portion of their deposits. I believe many of them turned away in tears. The ones who are suffering most are not the wealthy class, or the ones who could well afford to lose a little money; but the greatest sufferers were those who depended on their deposits in the bank to sustain them in their old age when other things failed, and they were shut out. I think it is very important that the hard-earned money of the working men and women, upon which they are dependent for their old age, should be properly safeguarded, so that they would be assured of it when required for necessary use. In the locality where I live a great many have suffered. In a little town not a great distance from where I live, very close to $400,000 was deposited by people of that class. In another town quite close to my home over $100,000 was deposited by the same class of people.

It is very important that the people should have confidence in our financial and banking institutions of the country. Last year we revised the Bank Act. I am not going to say that there were not important amendments to the Bank Act placed on the statutes at that time, or that some of the amendments were not an improvement, but it appears to me they did not go far enough.

The hon. member for East Calgary (Mr. Irvine) has referred to bank inspections. One amendment in regard to inspection was urgently pressed before the committee last year, but the Bankers' Association was unfavourable to it. The bankers have their own audit system and appoint their own auditors to do the work. What for? Not primarily to safeguard

the interests of the public, but to safeguard the interests of the bankers and the shareholders of the bank. So far as the depositors and the general public are concerned, they have not that same safeguard of their interests as the bankers have. If an inspector or auditor who was independent of the banks, not appointed by the banks but by the government, were charged with the investigation of the banking system of this country, I cannot see why it would not to a great extent safeguard the interests of the depositors and those who did business with the banks.

With reference to the amendments which were made to the Bank Act, as I view it, as a member of that committee, I think the amendments went possibly as far, and no further in my opinion, than the Bankers' Association was willing to concede.

Mr. FOURNIER: Is it not a fact that the Home Bank suspended its operation before the revised Bank Act of last year came into operation? Is my hon. friend prepared to say that if that Bank Act had been revised many years ago as it was revised last year it would have prevented such a failure as that of the Home Bank?

Mr. WOODS: I am not prepared to state that such a revision would have saved it, but the Home Bank was in a precarious condition many years ago—long before the revision of the Bank Act last session. As I have already said, the masses of the people of this Dominion believed that the Bank Act and the banking system were and had been in years gone by of such a character that there was no possibility of a bank failure and that their deposits would be absolutely safe. After the failure of the Home Bank, individuals came to me and referred to that, stating that they considered that the government was responsible to depositors for money deposited in a chartered bank. That was the general impression amongst the people; having that impression, they deposited their money with confidence, and the banking system has fallen down to such an extent that depositors have lost millions of dollars which they expected they would receive.

I said that the Bank Act was under revision and that in my opinion, a government inspector or auditor of banks would have in some way helped the situation. Some time ago, we listened to an address by the hon. member for Vancouver South (Mr. Ladner), who, to my mind, gave us a great deal to think about. He gave us some information regarding a federal reserve bank. But whatever system it is thought wise to adopt by the men who transact the affairs of this Dominion—and we have wise, capable men, men who have no peers, I believe, in any other country—it is a fact, so we are informed, that government inspection and a federal reserve bank system have proved to be a good thing in the United States, and something should be done to lift the banking system of this country above what it is to cause the people to have confidence in our banks, and to make it impossible for men and women who deposit their money, not for speculation, but for investment and safekeeping, to lose it. The government should take hold of the situation and work out some scheme that will put the banking system of this Dominion in such a position that an occurrence like the Home Bank failure will be impossible in years to come.

The hon. member for East Calgary has referred to the action the government has taken in appointing a royal commission. Many questions have been asked about it. I hope that commission will make a thorough investigation into the whole system, as it has been appointed to do, and that its report will be laid before parliament before the close of this session.

I am not going to make any definite statement in regard to my attitude on the question of reimbursing the depositors further than to say this: If it is proved satisfactorily that a minister of finance, past or present, in years gone by or whenever the occasion was, was remiss in his duty, or that the government of that day neglected to investigate thoroughly the affairs of the Home Bank; if it is proven to be the case, as a minister of finance of the last government in a statement in the public press excused himself in that regard, that the investigation did not take place at the time because the war was on and because there was a danger of upsetting the financial system of the country and breaking the confidence of the people in our banks; if the then minister of finance neglected to undertake the duty of investigating the affairs of the Home Bank in 1915, 1916, or any other year, on the ground that this inaction was in the interest of the people of Canada; and if as a result of that inaction on the part of the minister, hundreds and thousands of the people of this country lost their little all, the little money they had in the banks, and citizens are suffering thereby,—then, in my opinion, the government and the people of the Dominion of Canada are bound to reimburse the men and women who have suffered in the public interest. ,

The ground has already been thoroughly covered, and I believe the attitude of the

great majority of hon. members is to do justice to the poor, the widows and children. If the poor people, widows and children, have suffered because of the public interest in 1915, and 1916, those same people should be reimbursed for their losses in that regard.

Mr. R. H. HALBERT (North Ontario): Mr. Speaker, I do not think it is necessary for me to take up much of the time of the House, because the situation has already been extremely well covered by the hon. member for East Calgary (Mr. Irvine). I should, however, like to put on record this petition:

We, the undersigned petitioners, being your constituents and depositors in the Home Bank of Canada, and the friends and neighbours of such depositors, respectfully submit as follows:

Whereas the Home Bank of Canada did at the time of suspension have on deposit by the citizens of North Ontario a sum upwards of three hundred and thirty-six thousand dollars, divided among approximately two thousand people, mostly of small means.

And whereas the suspension and subsequent insolvency of the said bank has caused and is causing serious hardship among many people.

And whereas your petitioners are led to believe that the insolvent condition of the bank was known to the government for many years and that it was allowed to continue business because its closing might have occasioned a serious crisis in more difficult times.

We therefore your petitioners do hereby respectfully request you to use your utmost endeavour and your influence as a member of parliament at Ottawa to induce the government of Canada to take whatever action may be necessary to ensure the depositors full payment of their deposits.

And your petitoners will ever pray.

Now, Mr. Speaker, this petition is signed by William Brethour, R. C. Brandon and six hundred and seventeen other persons in my constituency. We have already heard of the many hardships resulting from the failure of the Home Bank. Allow me to stress the baneful consequences to many war and other widows in our small towns, where this bank had most of its branches. These widows sold their property in the country, moved into the small towns and villages because it was cheaper for them to live there, and many of them deposited the proceeds in the local branches of the Home Bank. But, worse still, many of these widows were induced, by the prospect of receiving higher interest, to become stockholders of the bank. The result is that not only have they lost their deposits, but they are also subject to double liability. This means that many a little home purchased in these small towns will have to be sold to meet that double liability.

Undoubtedly, as has been already stated, the impression prevailed generally throughout the country—although unfortunately it proved not to be well founded—that money deposited in a chartered bank was practically safe as the Dominion government was, in a sense, behind the bank.

Now, to appoint a royal commission to investigate the failure of the Home Bank and apportion the blame upon the responsible parties with a view to their being sent to jail, will not help the widow and her small family. On the contrary, it will rather increase her burden, because the wreckers who are incarcerated will have to be maintained in jail by, among others, their victims. Then again, in some cases those in charge of the bank who speculated with the money of the depositors were guilty of even more than robbery. I would characterize their crime as practically murder in the first degree, because some of the unfortunate depositors who lost their all in the wreck have gone out of their minds. I hope this parliament and this government will see to it that justice is done to the innocent victims of the unscrupulous manipulators who were responsible for the Home Bank failure.

While it may not be possible under the present Bank Act for the government to reimburse the unhappy depositors, I think perhaps something might be done by way of an insurance scheme out of which some of the losses might be met. I think also that we might have a more extended government issue of currency instead of leaving this important privilege in the hands of our banks. I say this by way of protest against our present system of banking and the abuses which it sometimes leads to.

Mr. A. M. CARMICHAEL (Kindersley): Mr. Speaker, I have been an interested listener to this debate. I have understood fairly well the addresses delivered by three of the four hon. members who have preceded me, but regarding the third hon. gentleman I must say, "Je ne vous comprends pas." His speech seemed to imply that there is a great responsibility resting upon this honourable body, to the extent of reimbursing some sixty thousand citizens who have suffered a severe financial loss. I am in agreement with many of the views enunciated, more especially those of the hon. member for East Calgary (Mr. Irvine). He presented the resolution in an admirable way and his facts were well marshalled. But I cannot say that I would accept all his facts and arguments nor agree with all his conclusions. I realize that the resolution calls for debate on a matter that is of great importance to the country. I agree that the financial business of the Dominion is something that interests all of us, because

not only is the confidence of the public in our banking system at stake, but also the very stability of the country itself. We are not so much concerned about the stability of our banks alone, but our very national existence is at stake in regard to financial matters. That is why every hon. member should be interested, and in fact every one throughout the country whose business brings him in touch with the banks—all are vitally interested in our banking system, for federal, provincial, municipal and private business is carried on through the facilities afforded by our banks.

The chartered banks of Canada control possibly $2,000,000,000 of the deposits of our people. We can scarcely realize the magnitude of this sum. To-day fifteen banks control these moneys. They have assets of something over $2,600,000,000, and their liabilities reach up almost to their assets, but not quite —I am relying on the statement issued by the Finance department on January 31, 1924. Intermingled with that banking business we had the Home Bank of Canada, operating seventy-eight branches throughout Canada from Quebec to British Columbia. The bank had been in existence for some eighteen years and had a president and a board of directors—who, by the way, did not direct very well. Its last annual report was issued on the 31st May, 1923. It may interest the House to hear one or two short extracts from this report, showing how the directors viewed their business. On page 12 we read:

> In view of the somewhat depressed condition of industry in general during the past year, the affairs of the bank, as will be seen by the statement, may be considered very satisfactory.

Further on appears the following:

> The net profits for the year, after providng for bad and doubtful debts, rebate of interest on unmatured bills under discount, payment of municipal taxes, cost of management, etc., amount to $232,539.17.

Then at the back of the report we have a motion, duly moved and seconded, to this effect:

> That the thanks of the shareholders are due, and are hereby tendered, to the president, vice-president and directors for their careful attention to the affairs of the bank.

That was the summing up of the annual report as presented to the shareholders by the directors and general manager. Now, this bank had a capitalization of $2,000,000, with a rest or reserve account of $550,000, and it controlled interest-bearing deposits of the people of Canada to the amount of something over $17,000,000. People had their money in that bank, no doubt thinking that it was safe, but shortly after this glowing report appeared they came to the realization that their money was mostly all gone. In fact, I think all they are going to recover is about 35 cents on the dollar, or a total of a little over $6,000,000, making a net loss to the depositors of something over $11,000,000. Now that has taken place in, and affected, six of the provinces, and it is only reasonable, natural and logical that this parliament should take cognizance of what has happened and that a debate of this kind should take place in reference to the matter.

I would judge from the remarks I have heard from previous speakers that they are influenced to some extent by the fact that there were branches of the Home Bank in their respective constituencies. I do not know whether that is the case or not, but so far as I am concerned there was no branch of that bank in my constituency. I am here as the representative of some 45,000 citizens and taxpayers of Canada. I do not like the small parochial or even the provincial view; I prefer looking at matters from the Dominion viewpoint; I prefer that hon. members should approach all matters from the point of view of the good of Canada rather than that of narrow provincial or even constituency issues. It is true, nevertheless, that when we are putting forth our constituency viewpoint we are to some extent putting forth a Dominion viewpoint as well. I have been led to ask myself one question. What would the 45,000 citizens of Canada, whom I have the honour to represent wish me to do in this matter? Would they wish me to concur in the remarks of previous speakers to the effect that this parliament is financially liable to the extent of $11,000,000 in regard to the failure of the Home Bank, or would they not? Well now, I have a few suggestions to make.

While our Bank Act may not be all that we might wish it to be, the fact that one bank has become bankrupt does not justify our saying that the Bank Act is a useless scrap of paper or that it has utterly and completely fallen down. We cannot from the fact that one bank has failed conclude that our banking system is of no use, nor should we deem it a justification for putting the crowbar under our whole banking system and overturning it. We cannot prevent the people from depositing their money where they please. Those who put their money in the Home Bank did so in the belief that they were putting it in a safe place. I doubt whether we would be justified in reimbursing the losers in the case of the Home Bank. I suppose it would be more popular to take the other view; one's remarks would perhaps meet with more general favour if he argued that we should reimburse the depositors, because in addition to the 60,-

000 people who lost, there are sympathizers of these people in every province who feel that the poor children and the widows who lost all they had should be reimbursed. Nevertheless I fail to see the logic of the argument that this parliament is in duty bound to make good those losses. I might remind you that other losses have been suffered by people in this country. For instance, a great many people went into our western country, largely at the instigation of the Dominion government and took up homesteads; they branched out into the farming business and lost all they had. Nobody would suggest that the Dominion government should recoup the losers in that case. Moreover, out in the western country we have had in the past a vicious system of subdividing properties adjacent to small towns. I think I am safe in saying that hundreds and thousands of people have lost thousands of dollars there through buying up subdivision property. There may not have been in those cases the guarantee afforded by legislative machinery but legislative machinery permitted that kind of business to go on, and many people, some of them poor people too, lost large sums of money.

There is also a question in my mind as to how docile the representatives of the Maritime provinces would be if it were proposed to reimburse even 60,000 losers out of the taxes of the whole Canadian people. There were no branches of the Home Bank in Prince Edward Island, Nova Scotia and New Brunswick; would the people of these provinces view very favourably a proposal to pay out $11,000,000 to compensate for the losses incurred in this catastrophe? I doubt very much if they would. I also doubt very much if other portions of the country would be favourable to the paying out of Dominion money for this purpose. If the deserving people, such as widows who lost their all or old men who had all their earnings on deposit, could be separated from what I might call the less deserving people, it might be different—for we must remember that not all the 60.000 people who lost are children or widows or deserving poor; there were some corporations and there were some people who could afford to stand their loss. But if reimbursement were made at all, all would have to be treated alike.

I do not know, Mr. Speaker, that there is any legislative club by which people can be forced to deposit their money in any particular bank. We not only had the Home Bank in Canada doing business for the past eighteen years, but several others. In the city of Ottawa we had a branch of the Home Bank, but we had branches of other banks as well. Now the people who deposited in the Home Bank, so to speak, said: Here, I trust the directors of the Home Bank to handle my money, and I am placing my $100 or my $1,000 in their care to handle for me and pay me 3 per cent interest. They had a perfect right to do that. But we might put forward the question: Why did they not put their money in some other place? They were not compelled to give their money to the Home Bank of Canada. In the city of Moose Jaw there was a branch of the Home Bank, but there were branches of other banks there as well. That may not apply to all points, but it does apply to some.

Also Mr. Speaker, it is not compulsory for people to put their money in any bank at all. We have a Post Office Savings Bank in Canada, connected with 1,307 post offices throughout the Dominion. Those 1,307 offices will accept the deposits of the people in any amounts from $1 up to $1,000 in any one year, and they will pay 3 per cent interest on the deposit. Was there anything to prevent the depositors of the Home Bank from putting their money in the post office, and thus giving to the country the benefit of the profits that might be made? There was absolutely nothing.

So far as the province of Ontario is concerned, they have a provincial savings bank that pays 4 per cent interest. Why did not the Home Bank depositors in the province of Ontario put their money in the Ontario Government Savings Bank, with the whole resources of the province behind it? They would have been almost sure that they would be repaid, and in addition they would get one per cent more interest than they got in the case of the Home Bank.

Out in the province from which I come, Saskatchewan, we have a Farm Loan Board that during the past several years has been very anxious to secure the money that the people have and cannot make use of. So anxious have they been to secure it, that they have been paying 5 per cent interest. Now, so far as Saskatchewan is concerned, why, let me ask, did not the depositors of the Home Bank put their money on deposit with the Saskatchewan Farm Loan Board and help out their own province and incidentally help themselves to the extent of an additional 2 per cent over and above what they got from the Home Bank? Or if any of those investments did not appeal to them, we have in Saskatchewan an admirable investment in the way of purchasing tax sale certificates. Every town, city, village and rural municipality in the province is compelled yearly to put up on

tax sale the property on which the taxes have not been paid, and any purchaser who has the money to invest will receive 10 per cent on the investment, and the investment, Mr. Speaker, is more secure than the investment in any bank. Now, we might ask, why did the people not put their money in any of these more safe investments?

But there are other reasons, Mr. Speaker. If the government of this country should find it incumbent upon them to reimburse the Home Bank depositors, would it not establish a precedent that would be very hard to get away from? Would they not be virtually saying that from now on they will guarantee all the deposits in all of the banks in Canada? In other words, they would be guaranteeing the sum of two billions of dollars. More than that; if they found it necessary to reimburse the losers in this case, would it not be necessary to make the action retroactive and reimburse losers in other cases, notably the depositors in the Farmers Bank, which failed some time ago?

Another reason why I would be opposed to reimbursing depositors, would be that it would tend to make the bankers more reckless than they are, if that is possible. It would tend to make them feel: The government of this country is standing back of us and will pay the bill if we lose; so let us leap in and speculate. They would say; If we lose $11,000,000 or $20,000,000, what is the difference?—the government will come to our rescue. I do not feel, Mr. Speaker, that our government should compromise the country to that extent.

But there are some things that we may do. I cannot say that I am wholly in accord with the resolution. It asks for the appointment of a parliamentary committee immediately. I fail to see the necessity for appointing a parliamentary committee immediately or later. We have a Banking and Commerce committee, made up of ninety members of this honourable body, and I fail to see the need for any other committee than the one already appointed. I do not agree with that portion of the resolution. I have absolutely no objection to inquiring into the weaknesses in the Bank Act, but that should be done through the Banking and Commerce committee. I do not agree with that part of the resolution which asks for a recommendation for saving the Home Bank depositors from loss. Therefore, I could not vote for this resolution, but I would be in favour of referring the matter to the Banking and Commerce committee and suggesting to them that they should review,—not the entire Bank Act, because I do not think the entire Bank Act upon which we spent so many days and weeks, yes, months of time last year in reviewing and discussing, should be again ground up piecemeal and evidence taken in regard to it,—but I do think that possibly some sections of that act that bear more directly on the Home Bank case should be reviewed, and if possible amendments to such sections should be proposed. I would be in favour of reviewing more especially the sections dealing with the inspection of banks. I know that last year in the Banking and Commerce committee the hon. Minister of Finance (Mr. Fielding) took a stand against government inspection of banks on the ground that government inspection entailed government responsibility. He might be correct to a degree, but if government inspection is going to eliminate Home Bank failures and the like, then, Mr. Speaker, we should have government inspection and we should have it quick. I do not think that it is a physical possibility—well, it may be physically possible, but it is almost a financial impossibility—to inspect all the branches of all the banks in Canada, but we could adopt a system of government inspection whereby the head offices would be inspected, and possibly by so doing we would strengthen our banking system and overcome some of the weaknesses and some of the tendencies to failure.

As well as those suggestions, Mr. Speaker, as soon as this country has come to realize the success of public ownership, which it is coming to realize more and more every day in every way, as soon as it realizes to the full extent that public ownership is not only a feasible but a profitable proposition, I would suggest that at that time there is the possibility of the government of Canada going into the banking business in a similar way to that in which the Commonwealth of Australia has gone into it, not by tearing up our banks and throwing them overboard, not by adopting some scheme that is more or less wild and weird, but by starting in the banking business alongside of our present banking institutions. I am quite sure that if the Dominion government should venture on such a scheme they would be just as successful as the Commonwealth of Australia, which has made over $18,000,000 in some ten years of business, and which has kept the rates of interest down near the earth, and has the resources of the country back of every deposit. Just think, Mr. Speaker, with what confidence a person could put his deposit in a bank owned and controlled by the Dominion of Canada. I understand the total wealth of our country is placed at some

twenty-two billions of dollars. Such being the case, a depositor could put his money in such a bank and feel perfectly safe. I am well aware that this suggestion is possibly a little premature, and I do not look for action to be taken in regard to it in the immediate future. But I feel quite convinced that action could be taken in the years to come along this line, and that such a proceeding would be perfectly safe. I do not feel that I can support the resolution as it is worded, and therefore I shall have to vote against it.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. R. K. ANDERSON (Halton): In rising to address the House on the motion proposed by the hon. member for East Calgary I might say that I find myself in accord with at least a considerable part of the resolution. The resolution says:

> That, in the opinion of this House, a Parliamentary committee should be appointed immediately to investigate the Home Bank failure, with a view to discovering any weaknesses in the Bank Act which may be amended to prevent a similar occurrence; to devise some means of protecting depositors generally.

I can endorse that part of the resolution; but with regard to the latter part I am not quite so sure. I do not intend at the present moment, until I hear further discussion, to say whether or not I should be willing to go to the extent of saying that the government should make itself liable for the loss of the depositors of any bank. I am well aware the Bank Act which was revised last year might possibly be made better than it is, but I do not think it is possible for any government to pass an act which will completely prevent fraud and dishonesty on the part of the managers of any bank or any other private or public corporation. The Bank Act as it stands is fairly effective, and if its provisions are enforced I think it is almost sufficient to guarantee the deposits of the people who put their money in a bank. So far as the government are concerned, and its responsibility to see that the managers perform their duty to the depositors and shareholders, it is possible that they might be more active in that regard. The hon. Minister of Finance (Mr. Fielding) has said that inspection by the government adds responsibility. I would be in favour of a greater inspection of banks, not so much by the government as by an independent audit. The government might appoint an audit board. Such board could be paid by making their salaries a charge upon the banks, and that could be supplemented by the government. That independent audit board could go through the records of the bank at any time if they thought there was need, and make a report, not only to the Bankers' Association, but to the government and to the directors of the bank. I believe, Mr. Speaker, that in most cases banks have succumbed to failure because of inefficiency and lack of knowledge of banking institutions and banking procedure on the part of the directors. Chief Justice Meredith, when acting as commissioner for the Farmers' Bank, made such a statement. He said it was significant that the directors of the Farmers' Bank had no experience whatever in banking or in large business of a financial character of any kind. He attributed the failure of that bank largely to that cause. I understand, and I believe it can be substantiated, that the directors of the Home Bank under discussion to-night had no experience in banking. They had no knowledge of banking procedure, and I am confident that the failure was the direct result of inefficiency on the part of the directors, and possible dishonesty on the part of the management. Even if you have an inspection by a government auditor, it is possible that such defalcations on the part of the bank might not be discovered.

In reference to the Home Bank, I think its condition has been precarious for a number of years, and I believe that Sir Thomas White did make an investigation of some sort, and it is somewhat significant with regard to that investigation that the gentleman who was appointed to look into the condition of the bank was in some way taken into the employ of the bank itself. That is a significant fact which will bear investigation—as to why it was that Mr. Lash, appointed by the Finance department to look into the affairs of the bank and make a report, was almost immediately afterwards taken on as the solicitor for the Home Bank.

Mr. SPENCER: Is it not true that Mr. Lash was solicitor for the bank before he was appointed by the Finance department.

Mr. ANDERSON: I believe he had done some independent temporary work for the bank previous to that, but I think that it was after his report was made that he was taken on as permanent solicitor, not in a temporary capacity, but that he was not in that position at the time he made the investigation.

With regard to revision of the Bank Act, I think it is possible also that certain pro-

visions might be made to give a greater security to the depositors. I find myself in agreement with the hon. member for Kindersley (Mr. Carmichael), that as the government has no direct control over the affairs of the bank; that as those who place their money in the bank do not seek information from the government, that they are in no way responsible for the action of the management of the bank; and that it would be thoroughly unjust to say that, while the bank is in a good working position and is making dividends for its shareholders, and paying interest to the depositors, the government should have no interest in it but that immediately it becomes a failure and the money of the depositors and shareholders is lost, the government should step in and say: "We will take all the loss." At the present time when the country is in such need of economy, when we have such a large indebtedness and a great amount of money to raise each year, it would be unfair to ask the government and the treasury of the country to become responsible for defalcations in banks. That would be establishing a precedent which might lead to very grave conditions in the future. Nobody knows where it would stop, as it would need to be retroactive, because it would be impossible to select the depositors of the Home Bank and say to them: "You will be a select few whom the government of this country will reimburse for your losses," and not do the same thing for others. I want to state emphatically that if the government should take that attitude, they must then reconsider giving recompense to the depositors of the defunct Farmers' Bank and other banks as well that have failed in the last few years. You cannot say that the depositors of one particular bank shall have a claim on the bounty of the government and that the depositors of another bank shall not.

Mr. CHURCH: Why should there not be created some reserve fund ear-marked for the protection of depositors similar to the present redemption fund for the protection of noteholders? Are they not equally creditors and do they not have an equal priority?

Mr. ANDERSON: Possibly so. I would not be opposed to an insurance scheme by which the depositors would be protected from loss; but that ought to be put up to the banks themselves, that their circulation and assets should be assessed for that fund to the extent of their proportionate assets. Either that should be put up to the Bankers' Association and to the banks to finance themselves, or the government might take that over—I am not much in favour of that—and create an insurance fund by which the depositors might be reimbursed. I think the money for that purpose should come from the banks.

I am taking up this question more for the purpose of bringing to the attention of the House the failure of the late Farmers' Bank. Since it was a Farmers' Bank, and the shareholders, depositors and directors were largely farmers, I think hon. gentlemen to my left should be interested in that bank as much, as in the Home Bank. Moreover, the failure of that bank was even greater than that of the Home Bank. The Farmers' Bank was an utter failure, an absolute wreck; not one cent came back to the shareholders or depositors. A large number of shareholders particularly were made absolutely bankrupt. There was great distress, perhaps not so great as the amount was not so large as in the case of the Home Bank; but many of those cases were devoid of all means of support. I know of one instance where the matter preyed so much on the mind of a shareholder that he lost his reason. Others were unable to carry out obligations which they had undertaken previously for the education of their children. The claims of the depositors and shareholders of the Farmers' Bank can be put on the same basis as those of the shareholders and depositors of the Home Bank; one claim is no worse than the other. The Farmers' Bank has not been properly wound up yet. The parliamentary committee that should be appointed to investigate the Home Bank should have a free hand to inquire into everything connected with the bank from the time of its incorporation down to liquidation, and even through liquidation, because even after liquidation commences, a commission or the government or somebody should be in charge to see that those matters are carried out expeditiously, and that depositors and shareholders do not lose large sums of money through a long drawn-out process of litigation with heavy lawyers' and liquidators' fees and in the end get very little. In the case of banks, liquidation proceedings are too cumbersome and expensive, and there is very rarely anything coming back to the depositors or shareholders.

I have said before, and I wish to repeat, that bank failures are due, not to any deficiency in the Bank Act, but to deficiencies in the management and directorate. If you

guarantee the depositors, and possibly the shareholders, their money, you will not make for better management of banks. in fact, I think the management is more liable to be careless, knowing that the depositors will be guaranteed by the government. I do not believe it would be in the best interest of the banks themselves that the government should guarantee the depositors.

With regard to the Farmers' Bank, I will state as briefly as possible its affairs. That bank was incorporated in 1904. The time for issuing the charter was extended on three different occasions, and it was finally granted in November, 1906, long after the bank was first incorporated, which showed that the bank had a great deal of difficulty in getting shareholders in order to start business. The bank was incorporated with a capital of $1,000,000. I want to bring these statements before the House so that hon. members will see clearly that the depositors and shareholders of that bank have as much claim upon the government for recompense as the depositors and shareholders of any other bank. Its failure was as much due to negligence on the part of the government and perhaps more so than that of the Home Bank. I do not say that the failure of the government to look into this case carefully was the cause of the wrecking of the bank. As I said before, the failure of that bank was due to the dishonesty and incompetence of the management. I am not making any statement against the directors. They were honest men, but they had no knowledge of or experience in banking. They took the word of the manager as actual fact. They had no knowledge in themselves; they could not go over the statements of the bank and see wherein the manager was or was not telling them the truth. The consequence was that prior to the date of the failure they believed that the bank was in a sound condition. No charge or even suspicion was held that they were dishonest in the management of either the bank or their own affairs. One of the directors of that bank, a substantial gentleman of my own county, a retired farmer of advanced years, said that after paying his double liability he had not enough money left to buy himself a silk hat. That man believed implicitly that dividends were being paid out of the earnings of the bank, but of course they were as a matter of fact being paid out of capital. As the evidence proved conclusively, the manager of the bank was guilty of gross fraud and perjury. He was sentenced to the Kingston penitentiary, but he was released at the end of two years, the balance of his term having been remitted.

At the time the bank received its charter on the 30th November, 1906, it did not have the requisite number of shareholders nor sufficient deposits to warrant application for a charter. Subscribers who had not the cash had given promissory notes for their shares, and in order to deceive the Minister of Finance, the manager, Mr. Travers, deposited these notes with The Trust and Guarantee Company of Toronto as security for a loan to the extent of $80,000, which was afterwards increased by another $20,000. These funds formed a part of the $250,000 which he deposited with the Minister of Finance when making application for the charter. The report of the commissioner who investigated the failure of the Farmers' Bank in 1913 shows conclusively that this and other facts were brought to the attention of the Minister of Finance before he granted Mr. Travers' application. For corroboration of my statement I would refer hon. members to sessional paper 153a. The gentleman who warned the minister were Sir Edmund Osler, then a member of parliament, Mr. David Henderson, also a member of parliament, and Mr. Leighton McCarthy. They called the minister's attention to the fact that the statements contained in Mr. Travers' affidavit were false. Mr. Clouston, of the Bankers' Association, also wrote to the minister to the same effect. Of course, Mr. Travers protested to the minister that his affidavit was absolutely in accordance with the facts and thereupon, in spite of this information, the charter was issued to the Farmers' Bank on November 30, 1906, the very day that one at least of the warning communications reached the Finance department. Subsequently, on April 17, 1907, Mr. Vankoughnet, manager of the local branch of the Farmers' Bank at Milton wrote to the deputy minister of finance, advising him that promissory notes given in payment of shares were being discounted at the bank's branches. That was less than two weeks after the bank started business. There was then ample opportunity for the Finance department to put a stop to the bank's operations, and thus save the depositors and shareholders the severe losses which they sustained a few years later by reason of the gross mismanagement and deception of the manager. No charge is made against the Minister of Finance, but there may be some criticism of his negligence in not paying more attention to the warnings he received concerning Mr. Travers' bona fides. But I am prepared to admit that had the bank been honestly and efficiently managed it might have been a success. The same remark applies to the Home Bank. Indeed, in every case of a bank failure I think it

goes without saying that the failure is due to lax and inefficient, if not dishonest management.

In less than four years the Farmers' Bank was utterly wrecked. Mr. Travers invested something over half a million dollars in the Keeley mine and other unprotected loans, and this tying up of its assets was the principal cause of the failure. For instance, the Keeley mine was afterwards sold for the comparatively insignificant sum of $141,000. Sir W. R. Meredith, in summing up the causes of the bank's failure, said:

The subsequent management of the affairs of the bank was characterized by gross extravagance, recklessness, incompetency, dishonesty and fraud, and has resulted in the entire loss of the paid-up capital and the whole of the deposits, and that after allowing for all that can be extracted from the shareholders on their double liability a loss amounting to no less than $1,806,437, making a record unparalleled in the history of any bank in Canada, or, as far as I am aware, in any other country.

Subject to deductions in respect of some of the times of sums amounting in the aggregate to $42,377, during the short career of the bank, the bad debts amounted to $598,565; the operating losses, including the cost of printing bank notes and stationery, to $281,119; the organization expenses to $87,279; the sums stolen by officers of the bank, after deducting what has been and is expected to be recovered from sureties, to $134,118; the dividends paid, to $50,772; the losses on expenditures on bank premises, fixtures and furniture, to $108,801; the loss on the purchase of the Keeley mine, to $509,886, from which, however, is to be deducted what may ultimately be realized from the sale of it; loss on the purchase of stock in the Keeley Mine Company, $15,000; besides other losses amounting in the aggregate to approximately $63,274.

And that in the short period of three years or a little over! How could any bank act prevent the failure of a bank that was run like that? How would it be possible to make an act of such a character that it would prevent defalcation of that kind when the manager of the bank had no idea of his responsibilities to the public, had no regard for what their losses might be so long as he himself was retained in his position? The directors of that bank guaranteed Mr. Travers $5,000 for the first year and an increase of $1,000 in salary for four years, making a total of $9,000, and if at any time he was deprived of his position in the bank he was to be given a pension of $1,500 a year for life, so that he was to be well looked after. When the provisional directors severed their connection with the bank and the regular directors were appointed, $20,000 of the bank's funds were distributed amongst the provisional directors for their work in connection with the organization of the bank.

The matter of this bank has now been before the public for something like ten years,

and a statement to the shareholders of that bank from the liquidators has not been submitted. The shareholders employed a liquidator to look after their interests in the liquidation of the bank, and they have a right to know what the assets of the bank were, how its debts were paid and what returns might be expected to depositors and shareholders. Such a statement has not been forthcoming, or was not forthcoming up to a short time ago. Last January I made an application to Mr. Clarkson, the liquidator, for a statement in the interests of the shareholders, mentioning that I myself was a shareholder. I received no reply to my letter. Other men had asked for a similar statement but did not receive any. When I came to Ottawa at the opening of the session I took the matter up with the Finance department, and I must say that the Finance department acted very promptly; they wrote Mr. Clarkson asking him for a statement of the bank's affairs, showing what had been done with the assets and what amount of debts had been paid. I wish to read Mr. Clarkson's reply, addressed to Mr. J. C. Saunders, the Deputy Minister of Finance, Ottawa, under date of March 4, 1924:

Re Farmers' Bank of Canada

I am in receipt of yours of the 29th ult., and in reply thereto would say that in April, 1923, I had an extract of the accounts of the Farmers' Bank made with the intention of whipping the matter into shape to give you the statement then asked for. Thereafter, however, I gained the understanding that the necessity for the statement had passed when revision of the Bank Act had been disposed of, and consequently I did not complete it.

That was rather a peculiar reason for not giving the statement.

In order that you may understand the conditon of affairs, I wish to say that in dealing with the affairs of the Farmers' Bank we adopted the only policy open to us which would admit of our passing accounts before the court from time to time and as receipts and disbursements were made. To do this statements were prepared of every individual receipt and every individual disbursement, the latter so that vouchers for every expenditure could be placed before the court. This meant that while all receipts and all disbursements were passed no statements were prepared or asked for by the court which required the subdivision of receipts and disbursements under headings which would allow of a comprehensive statement being presented.

I may say that I had given the headings under which I wanted the statements presented with regard to the disbursement of the assets of the bank. The letter continues:

Under the above circumstances when you ask me for a statement it now means that I have got to take the accounts passed by the court and extract every individual item of receipts and disbursements under

headings so as to show what was realized from receivables, interest, double liability, collections, securities, real estate and fixtures and furniture, while on the other hand I have got to divide the expenditures to show payments of circulation, salaries and preferred claims, wages, branch expenses, liens, preferred accounts, set-offs, bank collections, legal fees, liquidator's remuneration, court costs and other charges. Having regard to the fact that there are thousands of entries involved and the liquidation spread over a period of more than ten years you will see what your request means. The extraction and the allocation of the items is now under way, and I would say that we ought within one week to be able to supply you with the information. This I trust will be satisfactory.

Mr. Clarkson sent me a copy of the letter he wrote to the Deputy Minister of Finance, and I must say that in a week a statement did come to hand. I wish to put that statement on Hansard as being the only one that has been issued with regard to the liquidation of the Farmers' Bank, although that bank failed fourteen years ago. The shareholders have had no knowledge whatever of what was done with their money, of what became of the assets of the bank, although they had a right to know. The statement is as follows:

IN THE MATTER OF THE FARMERS' BANK OF CANADA

STATEMENT of Estate Receipts and Disbursements for period between December 19, 1910 and March 12, 1924

Receipts—		
General collections and realizations as passed in detail by Court—		
Head Office items	$ 37,651 89	
Toronto branch items	165,697 92	
Branch items (26 branches)	267,495 87	
		$470,845 68
Bank balances		4,699 30
Special claims, accounts and securities realized therefrom		420,402 82
Real Estate, fixtures and furniture		41,742 27
United States claims—collected therefrom	$35,713 49	
Less Costs of United States Attorneys	9,356 96	
		26,356 53
Recovered from double liability	$314,880 66	
Returned dividends	4,225 00	
		319,105 66
Interest receipts		13,270 13
Sundries		45 44
Recoveries in respect of defalcations, misfeasances and illegal preferences		74,003 61
		$1,370,471 44

Payments—		
Circulation outstanding	$536,020 00	
Interest thereon to dates of redemption	70,964 77	
		$606,984 77
Trusts and Guarantee Company—advances against receivables—with interst thereon		231,953 55
Claims secured upon items receivable and collections		73,633 61
Current and Savings balances applied by debtors in liquidation of obligations		30,592 19
Deposits after suspension repaid		1,141 75
Collections of items held in trust—repaid		1,052 18
Preferred wage claims		5,403 00
Advances in respect of special accounts and in discharge of liens and mortgages		195,141 20
Court and Court Stenographer costs		7,507 86
Costs of Creditors and Debtors required to be paid by Estate		7,491 97
Shareholders Test Case—costs allocated against Estate		3,500 00
Branch general expenses		4,901 28
Rentals, postage, printing and sundry expenses		17,687 36
Salaries and wages of employees		8,089 39
Remuneration of Curator and salary allowance to Liquidator for period December 19, 1910, to October 31st, 1916 (including services of employees in investigations)—as allowed by Court		61,250 00
Law Costs—including costs during Curatorship—general Estate costs—misfeasance actions—double liability actions—Test cases—and in respect of special accounts		98,189 96
Balance on hand		15,951 37
		$1,370,471 44

With reference to the item "Shareholders' Test Case—costs allocated against estate, $3,500", I might say that the shareholders contested their obligation to pay double liability, and the case was fought in the courts of Ontario and in the federal court, and the shareholders lost out. I might add that the commissioner who was appointed to investigate the affairs of the Farmers' Bank was given every means by the government of the day for investigating the whole proceedings of the bank. He was empowered as follows:

In pursuance of the Commission of Your Royal Highness, dated the twelfth day of February, one thousand nine hundred and twelve, by which I was appointed a commissioner to make investigation into all material and relevant facts in relation to:

(a) The incorporation by Act of Parliament of the Farmers' Bank of Canada and the organization thereof;

(b) The application for and the giving by the Treasury Board of the certificate permitting the bank to issue notes and to commence the business of banking;

(c) The conduct and operation of the business of the bank, the amount of capital subscribed and paid up, the causes of the suspension and failure, and the extent of the liabilities and the value of the assets thereof.

The commissioner was given a free hand to investigate every aspect of the Farmers' Bank from its inception up to the time of its liquidation, and I would recommend this government to do the same thing with regard to the Home Bank.

The government has said that they wish to get the opinions of members of the House with regard to what shall be done, whether the inquiry should be by a commission or by a parliamentary committee. I would prefer a parliamentary committee, and that it should be given as free a hand as the commissioner was given in respect of the Farmers' Bank, to inquire into everything in relation to the bank from its incorporation to the time of closing its doors, and after, so that the committee could look into the matters of liquidation and see that they were carried out properly, and see that all persons who owe money to the bank pay their liabilities in order that the depositors may receive everything that is coming to them. The depositors have a right to expect that everything will be done in that regard. When a bank fails I think it should be the duty of some person, either the attorney general of the province or the Minister of Justice for the Dominion, to see to it that action is taken to inquire into the causes for the failure, and to ascertain who is to blame. If the manager or the president or a director is responsible, if he has been fraudulent in his acts, if he was dishonest in the incorporation of the bank, he should be brought before the courts and properly punished. Too many of our bank managers and bank presidents who wreck banks get off too easily. They are not prosecuted as they should be, and the consequence is that there is every incentive on the part of dishonest men to make an effort to get rich at the expense of the depositors and shareholders.

I want again to impress upon the government the advisability of looking into every matter concerned with this bank. I would prefer a parliamentary committee, if possible, but the inquiry should be made either by a parliamentary committee or by a commission —by some competent authority—and every attempt should be made to see that justice is done.

Mr. O. R. GOULD (Assiniboia): I was quite unable to hear the remarks of the hon. gentleman who has just taken his seat (Mr. Anderson)—

Some hon. MEMBERS: Louder.

Mr. GOULD: It is very seldom that it has been necessary for hon. members in this chamber to call "Louder" to me.

[Mr. Anderson.]

Like the hon. member for Kindersley (Mr. Carmichael) who addressed the House this afternoon, I can say that I do not speak for the depositors of the Home Bank resident in the electoral district which I represent. I regard this as a national question, and I shall be intentionally brief in the few remarks I shall make to-night because of the clearness of the resolution itself, and more particularly because of the clear and able presentation of the case by the hon. member (Mr. Irvine) in whose name the resolution stands.

The resolution contains three clauses, all very specific and needing very little elucidation, and in my humble opinion they are such that no one in the Chamber should object to their fulfilment. The first asks for a parliamentary committee to be appointed "with a view to discovering any weaknesses in the Bank Act which may be amended to prevent a similar occurrence" to the failure of the Home Bank; the second seeks "to devise some means of protecting depositors generally;" and the third clause reads "to make recommendation as to the possibility of saving the Home Bank depositors from loss." I think each of these three clauses very laudable; and again I say, I do not see why any hon. member of this Chamber should object to a committee being appointed for the purpose of proceeding along the lines indicated in the resolution.

I might state that while there are no depositors of the Home Bank in my constituency, and no branches of that bank, yet I was interested enough in this matter to appear in the city of Moose Jaw during the month of January last and listen to a presentation of the case by a committee who spoke for the depositors in the province of Saskatchewan. I had the opportunity of addressing that committee for a few minutes, and in my remarks I first of all expressed my sympathy for the depositors, and secondly I stated that I would do all in my power to assist them in recovering the losses they had sustained. That remark was qualified by the statement that I should be glad to assist if there would be no added burden thrown upon the already overburdened taxpayers of the Dominion of Canada. Since I have listened to the presentation of the case here to-day, and having since the occasion to which I have referred, met many of the depositors personally, and having received many recommendations from various organizations throughout Canada setting forth the case more clearly than I had seen it presented up to that time, I may say that to-night I have no occasion whatever to change the sentiments I expressed in the city of Moose Jaw; in fact, I am prepared

to state that the sentiments I then expressed have been intensified since.

I think the resolution as it stands to-day, in its three clauses certainly points the way whereby the ends there outlined may be attained. We have to look at this question, firstly, from a more or less psychological point of view, because people who deposit money in our chartered banks in Canada are what might be termed the best class of our citizens. They are not extravagant people or the wasters; they are the people who have conserved the money they have made and deposited it in our institutions in the firm belief—and that belief has been taught them from their youth —that these institutions were safe and sound. But we have had many cases, and particularly the grievous failure of the Home Bank, which have shattered the faith of many people in this country in our banking institutions, and particularly those who have had money deposited in them. Not only that, I believe I am safe in assuming that many people who have money deposited in the other chartered banks of Canada entertain a doubt at times as to whether the foundations upon which those institutions rest are as secure as they have been led to believe. That is a very serious thing to say with respect to our financial institutions.

It seems to me that if a former minister of finance is rightly credited with the assertion that he knew of the workings of the Home Bank many years ago, the question at issue hinges upon two things: First, whether it was known at that time that the Home Bank was an almost shattered institution; second, whether the people of Canada benefited by allowing it to continue. If, because of the silence of the finance minister of that time, the people of Canada derived a benefit, a committee appointed now might endeavour to find out what the extent of that benefit was. The question naturally arises also: If that former finance minister was aware of the actual circumstances, is it not fair to assume that succeeding finance ministers likewise knew of the condition of the Home Bank during and following the war period? These are questions that are being asked and the people have a right to receive replies to them. If it is established as a fact that the people of Canada did so benefit then I state my opinion most positively that they are under an obligation to the depositors of the Home Bank. I am prepared to state my belief that Canada did benefit as a result of the silence maintained from 1916, which was during the war period, until the crash came. I believe the people of the district that I represent would not object to paying their fair share or fair proportion of the loss sustained by the depositors, under some plan that would enable them to meet the burden without difficulty, providing it can be clearly established that Canada did profit as a result of the silence in question.

It may be that the ex-minister to whom the statement referred to is attributed is not culpable. If his culpability is established, our duty is all the more manifest, and the people at large, in my opinion will gladly reimburse those who have lost their deposits, in accordance with some suitable plan upon which a committee may report after due investigation.

The question may naturally be asked—and I think is being asked at the present time:—did not succeeding governments accept the income taxes which the Home Bank continuously paid into the Dominion treasury? These taxes certainly must have been accepted, at any rate the statement is made in an explanation issued in connection with the bank's affairs. The government should have been as diligent in watching the affairs of the Home Bank as they are in scrutinizing the transactions of other institutions. Had they maintained such a keen scrutiny the actual condition of the bank could hardly have escaped their notice. A short time ago Canada covered itself with glory when it rushed to the assistance of Japan, following the terrific earthquake which devastated portions of that empire, Because of the aid then rendered Canada has been lauded internationally. And yet, although we rendered such assistance, Japan was collecting a duty on our imports of wheat. It seems to me that if Canada did the right thing in going so promptly to the assistance of the people of a foreign state, it would be even more justified in moving in the interest of those who have suffered from a calamity such as the failure of the Home Bank.

I could recite many distressing tales of the results of that failure, but I refrain from narrating such pathetic experiences. I simply rose to give expression to my earnest convictions in this matter. I am quite in sympathy with the resolution, and I see no reason why every hon. gentleman should not support the appointment of the committee asked for.

Mr. JOHN MILLAR (Qu'Appelle): At times the good things of life are close to our hands. As we are engaged in trying to find a remedy for the existing banking troubles

my good friend the member for Macdonald (Mr. Lovie) hands to me a newspaper clipping advocating a remedy which, however, I think would be very far-reaching. The clipping in question, which is from the Brandon Sun says:

> There are few bank failures in China. When a bank fails there the official responsible is beheaded.

I wish to refer very briefly to the resolution before the House. There were $225,000 of deposits in the Home Bank in the district I have the honour to represent. Now, I do not wish to claim that because some of the people of my constituency have had bad crops, or are poor, or have suffered greatly, or have lost all they had, through this bank failure, that that is any reason why we should act regardless of justice and set a precedent that would be dangerous. I do maintain, however, that it is a reason why we should be very careful to give these sufferers justice to the extent of one hundred per cent. I have received many letters from Home Bank depositors, and also petitions some of them containing over one hundred signatures, asking that consideration be given to the depositors, and that the government undertake to make good their entire loss. As yet I have an open mind on the subject, although I am free to admit that my heart is with the losers. I have heard it stated that a member who had branches of the Home Bank in his own constituency is not competent to act impartially. I do not admit that would be true of myself, and yet my sympathies are strongly with those who were depositors and shareholders and have lost everything they had. I might just refer to the case of one depositor, a man who was hard working, who had a little more funds and a little more backing financially perhaps than most of the other depositors

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and yet who earned his money laboriously. He placed in one of these branches, a few days before it closed its doors, $7,000, the return from his last year's crop. Perhaps he is not so much to be pitied as some others who had not the $7,000 to deposit, and yet it seems very hard indeed that a man should, within a few days of the failure of this bank, place in trust $7,000 hard-earned money, when those who are collecting this money in this way look upon it not as a sacred trust to be invested where the security is only of the very best, but rather look upon it as an unlimited fund with which to engage in wild-cat schemes, and that is the way it is treated. Our Bank Act I believe is a good act, but it certainly has its weaknesses. This I think has been amply shown. I think if we had some measures of protection such as they have in the United States it would be an improvement. They have found in that country that a reserve fund bank is very useful—a bank to which other banks can resort in case they require funds, where they can have their paper discounted. Those who have studied the banks of the United States carefully believe that at one time there would have been a serious crash if it had not been for the federal reserve bank; but through the efforts of that federal reserve bank other banks that were in financial difficulties, not because they were insolvent but because of pressure at the moment, were able to resort to that bank and have their paper rediscounted; and thus were able to carry on. I fancy that if we had some scheme similar to the federal reserve bank of the United States, by which somebody would be appointed who would be able to arrange a rediscount, a bank in Canada would not find it necessary to close its doors in case of financial pressure. One difficulty with our banks in the past has been that when times were good they were too ready to loan, they had plenty of money, the depositors were numerous and the borrowers few. Then when times became bad, those who had plenty of security and who had a right to expect that they would be able to borrow money, and those who would receive money under a proper banking system were not able to obtain that accommodation. I have known men to go out with Victory bonds of considerable amounts and find themselves unable to borrow one dollar on them. That state of affairs should not exist. It has been said that even in the United States where they have government inspection, banks fail. It is true that such things occur; and yet I am inclined to think that a proper inspection by the government—not such an audit as we have had in the past, which seems to me to have been entirely ineffective, but an inspection that would examine very carefully the reports from the various banks, and have a nose for trouble the same as a newspaper man has for news—would have discovered something wrong with the returns from the bank which has caused us so much trouble. If such banks as these were inspected more carefully, and the loans the bank had made examined thoroughly, such a disaster as has occurred would not be repeated. I am inclined to think the banks are standing in their own light. This failure has shattered confidence in our banking system, and, I think the banks by standing together, by not adopting such measures

as will prevent such a catastrophe as this, have done themselves a very great deal of harm. It seems to me the claims of the depositors rest to a very large extent on this point: It is claimed by some that Sir Thomas White, when Minister of Finance, being notified of the condition in which this bank stood, withheld his hand in the interests of the public good, and that Canada at large benefited thereby. I think, if that be proven, I have found a very strong claim and a very good reason why the country at large should bear the loss. I am watching these matters very carefully. I hope the investigation will be thorough. I am glad that it extends from the time the bank was created up to the time it closed its doors.

I would like to refer to a remark made by the mover of the resolution (Mr. Irvine), that I think, was rather unfortunate. I feel that I cannot let it pass without a reference. It was to the effect that the commissioners usually write reports that nobody reads, run up large bills of expense, and that their reports are very seldom translated into legislation. I think if the hon. member (Mr. Irvine) had thought seriously he surely would not have made that statement. I have gone back carefully in my memory over the commissions I have known, and of the men who have been employed on these commissions, and I can find no justification for any such statement. A clipping was read from a newspaper, supposed to be a statement from a newspaper reporter, to the effect that having sat three years in the gallery he knew of no case where the report of the commission had been translated into legislation. I have in mind at present such men as are working on these commissions even now, and coming from Winnipeg, on my way to Ottawa a short time ago, I met the Grain Commission, and when I saw these men and talked with them I found they had just returned from Fort William and Port Arthur, and I can well say that their solicitor was worked to the last pound of his strength. He had done all that any man could possibly do. He is a man of great ability and high attainments. Surely such ridicule should not be heaped upon such men as Chief Justice Turgeon, such men as Dean Rutherford or Mr. Scott of Winnipeg, or such men as Professor Gibbon. These are not men of the stamp that are wasting their time and public money writing reports that nobody reads. I can assure the hon. member for East Calgary that there are men all over the country who are deeply interested in this matter of the grain trade, and they will read with the greatest care the reports that have been issued. It may be—and I believe it is the case—that three-fourths of the people are not interested in that matter and do not read the reports. Why should those who are interested be deprived of the benefit of the reports because some people will not read them? I desire to refer to two or three commissions of which I have actual knowledge. How did we get the co-operative elevator companies? It was because the report of the commission was translated into legislation. The Royal Grain Commission of 1906 and 1907 made twenty-six recommendations, and twenty-four of these recommendations were accepted by the organized farmers of western Canada, and were incorporated into the Canada Grain Act of to-day. I am asked, do we get any results? Let me read to the House two or three paragraphs which will be good reading at any time in this connection or in any other connection. I read from the Regina Leader of April 27, 1910:

> In the matter of the Port Arthur elevator and the Empire elevator, the charges were taken up and on investigation were all sustained and the department at Ottawa instructed their counsel here to prosecute and the case came up before Police Magistrate Daly on Friday, April, 1923. The Port Arthur elevator was proven guilty on five charges of false statement and fined $500 for each offence. The Empire elevator was found guilty on six charges of a similar character and fined $500 for each offence.

Just one other short paragraph, because I have heard many slurs cast on the work of commissions from time to time, therefore, I dwell for a moment on this question. A question was asked as to the result of the Grain Commission. Let me read two or three lines from a clipping from the Farmers' Advocate of November 17, 1909. This shows the result of measures put into effect on the strength of the report of that commission:

> In 1908, the shortage on out-turns totalled 50,000 bushels, a loss of course which indirectly affected the price paid for grain at Fort William.

I will now give the returns after the remedial measures were put into effect.

	Bill of Lading Bushels	Out-turn Bushels	Net shortage Bushels
Wheat..	8,470,287	8,463,925	5,956
Oats..	2,377,311	2,375,096	2,214

I think that is as far as I need to go in regard to this matter. When commissions are working hard on very important work and are doing as faithful and honest service as members of this House, it is a grave mistake to undermine their work, to leave the impression that it is useless, that their report will not be translated into legislation. Let me close by asking this question: Does any member amongst the 235 in this House be-

lieve for one moment that the report of the present Grain Commission will not be translated into legislation? I think there is not one.

I believe it will be better to refer the resolution to a committee of the House rather than to a commission; but I feel just a little undecided at the present time whether it will be better to refer it to a special committee than to the Banking and Commerce committee. I hope, however, wherever it goes, it will be dealt with in a very effective manner, so that such disastrous failures as we have had in the past will not occur in the future.

Mr. T. L. CHURCH (North Toronto): Mr. Speaker, I would not have taken part in this debate but for the fact that I come from a city in which my office is a few doors away from the head office of the Home Bank and that a large number of the depositors have asked me to speak on their behalf. I had a great deal of business to transact with nearly all the chartered banks of Canada while a municipal officer. The Home Bank had a lot of people trying to get the city of Toronto deposits. They offered a higher rate of interest to municipalities; they engaged lobbyists also, as you will see from the papers to secure business; they advertised for deposits and had a good advertising campaign. I remember the start of this bank. It commenced as a loan company and it started with poor people. Of the directors of the bank, with the exception of Mr. Daly, only two or three had as much as $3,000 or $4,000 stock in it. Mr. Daly had a large amount of stock in the bank, and some of it was transferred to his wife. Those in charge of the bank, the president, the directors, the manager and the rest of them, as Mr. Clarkson pointed out in his report, had no banking experience. In my opinion, the Bankers' Association should bear the brunt of this disaster. All last year while we were getting the Bank Act revised, they appeared around these legislative halls asking that it should not be laid over, that not one day was to be lost to get the new act through. For it had been contended that the act should be laid over for a year and a survey made of all the banks, and that auditors should be put to work. It was proposed that a survey should be made in the recess of parliament in regard to all these banks, because what has happened to-day in the Home Bank may happen to another bank to-morrow. I do not think the Canadian Bankers' Association dealt fairly with this parliament in regard to this legislation. They issued booklets, pamphlets of all descriptions, and they described the Canadian banking system as the finest system in the world. They talked in these treatises about the "uninformed agitators" amongst the farmers of the West. They put into the hands of members books containing a sort of catechism between the farmer and the student on the different banking systems in the world. This pamphlet in a white book is called Banks and Banking, and there are articles under various headings such as "Protection to depositors", "Priority for depositors equal to that of note holders", "Redemption fund." The people of Canada had a shock last August from which they have not yet recovered. Members of the cabinet were over in the Old Land last summer looking for more capital to come to Canada. How can we expect to get capital in Canada under the present banking system and Bank Act? With all due respect to the gentlemen who compose the Canadian Bankers' Association, I would say that everything they say in this pamphlet can be proved to be incorrect since last August. They have criticised the banking systems of other countries, and we find, under our own banking system, the disaster of last August which happened only three months after these gentlemen had been running around these legislative halls telling us not to lay over the revision of the Bank Act, not to appoint auditors. They forced the act through, saying that not an hour was to be lost. With all due respect to what the late government did in the case of the Farmers' Bank, I would say that that government took a certain stand at that particular time, but two wrongs do not make a right. Public confidence has been shaken in the banking system we have in this country. A few years ago there was a case in point when the Canadian Northern Railway was taken over by the government of Canada under an arbitration presided over by Chief Justice Meredith, to whom the hon. member for Halton (Mr. Anderson) referred to-night. There was a hypothecation of title deeds to the government by the Canadian Northern Railway for almost all their assets throughout Canada for advances. Subsequently to this claims were made for further advances. Some advances were made to the Canadian Northern by the Canadian Bank of Commerce amounting to $10,000,000 or $15,000,000. When the arbitration was in progress, what did this parliament do? Although the parliament of Canada had priority and could have foreclosed the system without paying a dollar, and preserved its priority under those title deeds of the Canadian Northern Railway System, this legislature paid them $10,000,000, although in my humble opinion, they had no legal claim, let alone a moral claim. What is good for a

large corporation like that should be good enough for the poor depositors in the Home Bank. We have been told that there is a difference between a note-holder and a depositor. A bank has two classes of first creditors. One is a note-holder and the other is a depositor. In the old days of the banking system of this country there was a difference in the way bank notes were regarded. Some people would prefer the notes of one bank to those of another. I remember the time in Toronto when people would not take the notes of certain banks because they were not considered safe. After the disaster to which I have referred parliament revised the Bank Act and provided for a note redemption fund, which was formed by each bank contributing five per cent of its note circulation. This fund to-day amounts to six or seven million dollars, and noteholders are thus protected when a bank fails. The same legislation should be extended now to depositors and a sinking fund established.

Now a disaster has overtaken the depositors of the Home Bank, and I know that many people in Toronto have lost all their savings and will be driven into the poorhouse. All the inquiries whether by royal commission or otherwise will not recoup those unfortunate people. Instead of futile investigations, I contend this parliament should say to the Canadian Bankers' Association: "You were the leaders in passing our banking legislation, you are our partners by reason of the note redemption fund, and you are in charge of the banking system of this country; therefore it was your duty to save the Home Bank from going to the wall; you might very easily have saved it as you did the Merchants' Bank; we have enough problems on our shoulders without assuming your work; you must come across with sufficient financial assistance to take care of these depositors." Would it not have been far better if the Bankers' Association had come to the rescue of the depositors to the extent of six or seven million dollars? In fact, four or five million dollars would probably have been sufficient, because some of the securities of the defunct bank may yet be realized at par. Would it not have been far better for the credit of this country had the Bankers' Association taken that course? It must be borne in mind that the chartered banks have to come to this parliament for their charters, under which they are granted valuable and exclusive privileges, and as a result they have made and are still making millions of dollars of profit out of the people of this country. I do not think the Bankers' Association played the game last year with this parliament—they did not "play cricket"— because two or three months after the revision of the Bank Act was carried through by parliament, largely on the advice of the bankers themselves, large losses were written off by the Union Bank and the Standard Bank, the Bank of Hamilton was taken over by the Bank of Commerce, then came the failure of the Home Bank, and later La Banque Nationale was saved by the wise action of the government of Quebec. After all the assurances by eminent bankers that the Canadian banking system was absolutely sound, that government inspection of chartered banks was unnecessary and uncalled-for, and that everything in the Canadian banking world was perfectly satisfactory, it was a rude awakening for the people of this Dominion to find these assurances of the prosperous Bankers' Association were not borne out by subsequent events.

I repeat, the government should say to the Bankers' Association: "You must come across with such financial assistance as will take care of these unfortunate depositors of the Home Bank." And the association can do so if they want to. They have held up other weak banks, and have pointed with pride to their wonderful system which enables them to do this. Sir Edmund Walker wrote a little pamphlet on Canadian banking which was circulated at the time the revision of the Bank Act was proceeding, and dealing with depositors he laid down the following principles:

> Under our banking laws, as is very properly the case, the claim of the noteholder is preferred to that of the depositor in the event of a bank getting into difficulties.
>
> We must not expect that any government will relieve a depositor from the necessity of using discretion as to where he places his money. Governments never have done and never can do that. Men must use their intelligence, and after measuring the security offered, judge where they should intrust their money. It is perhaps easier for a man with limited intelligence to make a selection if the banks have large capital and are of semi-national importance, provided, of course, the basis of the system is not unsound. In Canada, we do not obtain deposits from abroad, although we might not object to do so if money could be obtained at low enough rates of interest; and we do not lend on real estate. There are probably few countries in the world where greater security is offered to depositors.

His words were proved to be incorrect when a month or two later the country was shocked by the failure of the Home Bank.

There have been five revisions of the Bank Act since confederation, and amendments have been made from time to time to protect depositors and shareholders. But all to no purpose, as the Home Bank failure demon-

strates; losses still arise by reason of gross mismanagement, and to-day the confidence of the public has been shaken in our banking system. Consequently it is now the duty of parliament to impose further restrictions to safeguard depositors on lines similar to those by which a few years ago noteholders were protected. To this end the Bank Act should be amended. The Bankers' Association say that depositors are voluntary creditors, while noteholders are involuntary creditors. In my opinion this is simply a distinction without a difference. Undoubtedly if the depositors of the Home Bank had been warned of the kind of directors to whom they had entrusted their deposits they would not have been voluntary creditors; they would have placed their money in the post office or in a provincial bank.

It is significant that the Home Bank used quite up-to-date advertising methods for the purpose of attracting deposits. For instance, in 1913 we find them using these axioms:

A dollar in the bank is worth two in the pocket.

When in doubt, leave your money in the bank.

Everything comes to him who saves his money while he waits.

Get the habit of learning to do without what you only think you want.

To make a dollar go further—put it in the bank.

Dollars into riches run; not all at once, but one by one.

Never a borrower nor a lender be—unless it is to lend to your bank, by depositing your savings, and borrowing from the bank on good collateral at an equitable rate of interest.

People who live in mortgaged houses should not throw around their money.

Make haste to get rich slowly.

Spend carelessly and thrive miserably.

Banked money talks compound interest twice a year.

On the average poverty is the result of bull-headed negligence.

Not only has the confidence of the public been shaken in our banking system and the Bankers' Association, but our courts are being subjected to considerable criticism. A large number of people in my city are disgusted with the manner in which the prosecution of the Home Bank directors is proceeding. The case has already been before several judges, and it seems likely to go to the Pricy Council before a note of evidence has been taken. For this reason the public are urging parliament to take action. Under our constitution parliament is the highest court in the land, and the people are urging, in view of the failure not only to hold an inquiry into the failure of the Home Bank but to bring the wreckers to justice, that up-to-date legislation be passed for the protection of depositors and also, that something be done in the premises to deal with the Bankers' Association.

[Mr. Church.]

I may say just here that I have received a petition from the depositors of the branch of the Home Bank in Toronto at the corner of Woodlawn avenue and Yonge street, signed by 1,372 persons. I wrote to the Canadian Bankers' Association last August asking that they do something for the depositors of the Home Bank, and I wish to read the reply which I received. It says:

Sir Edmund Walker's secretary has forwarded me your letter of the 12th instant, addressed to me in Sir Edmund's care, in reference to Home Bank affairs.

The suggestion that the members of the Canadian Bankers' Association should take care of the probable losses of depositors in the Home Bank, while doubtless made with a desire to remedy an unfortunate situation, has not, if I may with respect say so, been considered in all its bearings. In the past the basis of the purchase by individual banks of the assets of weaker banks and the protection of their depositors, was that the assets purchased were at least of sufficient value to meet the demands of the depositors.

There is no legal or equitable ground, so far as I am aware, on which the shareholders of banks which have had prudent and conservative management should contribute out of their resources to make good losses which a bank imprudently managed has sustained. If it were once understood that banks with prudent and conservative management were under obligation or were even likely to make good to depositors of a bank which closed its doors, all incentive to honest and careful management on the part of an executive with little sense of responsibility would be removed; capital would desert our banking institutions and the business of the country would as a result be seriously crippled.

These in my opinion are the probable consequences of the application of the doctrine that banks are guarantors of the deposits in every other bank

I am, Yours very truly,

F. W. TAYLOR,
President.

Well, it would not shake the confidence of the people half as much as the closing of the doors of the Home Bank did. It would not shake the confidence of the country half as much as the representations made by this association in the pamphlet which I hold in my hand and which was distributed among members of the House. Let me read a few more paragraphs from this pamphlet. With regard to noteholders and depositors, it says:

The creditors of the banks consist of noteholders and depositors, one of whom may be classed as involuntary, the other as voluntary. When a bank bill is paid out in settlement of wages or accounts, the receiver does not concern himself about the bank of issue; all bills look alike to him in regard to their value... What of the depositor? What protection is extended to him? Before answering this question it is pertinent to repeat that noteholders and depositors stand in different positions. The noteholder is an involuntary creditor. In the course of business, selling goods or receiving wages, he has practically no option other than to accept the currency given him, and is therefore entitled to have that currency made sound and unchangeable in value.

He says that this is the only country in the world where the depositors have protection. Then there follows a supposed con-

versation between a farmer and a student of finance—the student, I suppose, being the Canadian Bankers' Association. Then further on there is a reference to the western farmers being misled by uninformed agitators. Well, I think this legislature was misled by a lot of uninformed agitators when members were told that a bank could not fail without the depositors being protected. Otherwise I do not believe this parliament would ever have passed the act giving them their charter. All the cards should have been laid on the table. Parliament gave to the Canadian Bankers' Association tremendously wide powers. Let me mention a few of the purposes of the association as set out in the act of incorporation:

(1) to promote the interests and efficiency of banks and bank officers, etc.; (2) to establish sub-sections of the Association; and (3) to establish clearing-houses for banks, by-laws regarding which require the consent of the Treasury Board. More serious powers were those imposed by the Bank Act. When the banks undertook to guarantee the note issue of every bank they found that they needed the power to inspect the note issue records of each bank and some protection at the moment of the suspension of a bank. For these purposes the Bank Act gives the Association power (1) to appoint a curator to supervise the affairs of any bank which may suspend payment, until the resumption of its business or the appointment of a liquidator; (2) to supervise the issue of bank-notes, including the making, delivery and destruction of the notes, and the inspection of the circulation accounts of the banks; (3) the custody and management of the Central Gold Reserves; and (4) to impose penalties for the breach or non-observance of any by-law, rule or regulation made by virtue of the section of the Act in question.

So that to all intents and purposes the Canadian Bankers' Association to-day have the powers of parliament, and instead of having only a Senate and a House of Commons in this country we have a Senate, a House of Commons and a house known as the Bankers' Association. Among the vast powers given to them under the act is that of inspection. But they did not inspect; they led us to believe everything was safe. Now, they say that the depositors of the Home Bank have no claim, but in my opinion they have a good moral claim. This legislature is responsible for the position in which these poor people who have lost everything now find themselves. They put their money in the bank because they thought they were protected. Let me quote just here the words of the Right Reverend Bishop Fallon of London in this connection:

But how can this end be reached in the matter under consideration. By the simple method of making the banks collectively responsible for the money they accept as deposits. The banks borrow our money without other security than the charters the people give them; they pay no, or a very low, rate of interest. When they loan us our money they charge us the highest rate of interest obtainable, and every shred of security that can be squeezed from us is rigorously exacted. We are actually made financial slaves by the very power of our own savings. And the bankers gamble with our earnings, and tell us to go whistle when the crash comes.

No further faith can be put in those who have been hitherto our financial guides. They have been weighed and found wanting. And they know it themselves. We are now being told that the banks have no objection to "government inspection," but that the government must bear the consequent "responsibility." The people of Canada will not tolerate the placing of any such "responsibility" on their government, that is, on themselves. They shall demand an effective guarantee for their hard-earned savings, and they will look to the forthcoming session of the federal parliament to exact that effective guarantee from those to whom these savings are confided.

I had a resolution on the order paper, Mr. Speaker, asking the government to consider the advisability of assisting the depositors and of calling upon the Canadian Bankers' Association to that end, but the motion has been ruled out of order on the ground that it involves a matter of finance. In my opinion, if the Canadian Bankers' Association will not voluntarily come across with this money, their association should be assessed for the amount of loss sustained through their failure to carry out proper inspection and audits and to maintain a state of efficiency in the banking business. Hon. members of this House should put their heads together and see what can be done to bring about some active measure of relief for these unfortunate depositors, many of whom lost their all and can never get back to the position in which they were before. I hope that this parliament will take such steps as may be necessary to restore confidence in the banking system of the country, and will see to it that the Canadian Bankers' Association carry out the conditions under which they received their charter. I suggest that should they fail so to carry out those conditions, parliament should take their charter from them and vest those powers where in my opinion they should be vested, in the Finance department of this country.

Mr. FRANK S. CAHILL (Pontiac): I agree with much that has been said by hon. members on both sides of the House with regard to the desire on the part of every person that the Home Bank depositors should be reimbursed if it is at all possible. I am not one of those who believe that our banking system is the last word in banking; I think that some useful amendments could be made to the Bank Act, amendments that would serve a good purpose in this country. Only a very few years ago we had twice as many banks

in Canada as we have to-day. We had then a much better banking system than we have at the present time. The smaller banks in Canada are gradually being absorbed by the larger until it is perfectly obvious that within a very few years we shall have not more than three or four very large banks in Canada, serving the people by a system of branch banks. I do not believe that that system will serve the people in developing this Dominion. The branch banks to-day are merely gathering points for deposits. These deposits in turn are sent on to head office for investment. It is quite apparent to any person who will study the Canadian banking system that it would be impossible for these branch banks to make loans in the country; the system will not permit it. Some of our banks have three or four, and some as many as seven hundred, branches throughout Canada. They select a boy from school in the country, put him in the bank as messenger, later on he becomes an accountant, and in a very few years he blossoms out as a branch bank manager, with absolutely no experience in any kind of business except book-keeping and the making up of interest. Under the present system of banking a branch bank manager can make a good showing for his branch by not lending one cent from his branch. He can do that in this way: If he can get sufficient deposits in his bank to forward to head office he will be allowed enough interest on that to show a profit in his branch, and he does not need to lend a cent out of his branch. The result is that the cautious boy adopts that course and sends the deposits to head office. The money that is deposited in the branch banks all over Canada is forwarded to head office, and head office makes the loan.

I did not agree with much that was said in the Banking and Commerce committee last year about the banks not wanting to make loans. It goes without saying that no bank can make a profit and succeed unless it does make loans, for the only way they make a profit is by making loans, and the only way in which you can obtain a loan under the present system is by going to head office, where the money is accumulated from the branches. As a result of this accumulation, head offices have from time to time made improvident loans, and the bank failures in Canada in the past have been caused by head office loans. The money accumulates at head office, and if they cannot make legitimate loans they do what was done recently in the case of the Home Bank, make speculative loans where the ordinary business man would say they have no chance of recovering their capital. The Home Bank failure has brought to the notice of the Canadian people more forcibly than anything else the shortcomings of our banking system, but the Home Bank failure did not disrupt the business of this country to anything like the extent it was disrupted by the Merchants Bank fiasco. When the Merchants Bank closed its doors there were hundreds of thousands of customers and depositors who had to look elsewhere for their banking connection. They had to make new banking arrangements, start all over again in the tedious business of building up a credit.

Let me say that I have no grievance against the bankers of this country. I have never in my life made an application to a bank for a loan that was refused. I could always get all the money I wanted from the bank, so I have no grievance on that score.

Mr. JACOBS: Can the hon. gentleman tell me how he did it?

Mr. CAHILL: I shall be glad to, because it will illustrate one of the points I want to bring out. After I had made a few loans at first, as my business developed and I required more money I did what everyone else does who wants to get a loan; I went to head office. You cannot get money any other way. The branches have no authority to make loans under the present system, and unless a man who wants to borrow money can get acquainted with the officials at head office his business is in a very precarious state, because he cannot get anywhere with the branches.

Mr. JACOBS: How is it that no money would be advanced to my hon. friend where he is best known and that he could get all the money he wanted where he was not known?

Mr. CAHILL: Of course, my hon. friend knows as well as I do that every man has to be recommended by his home office before he can get to head office, so there is nothing in my hon. friend's contention. Apparently he is not able to get recommended at either place.

We are told that we have the best banking system in the world, that we have very few failures. I have been told repeatedly that in the United States this past year there were four or five hundred failures of banks. That would mean forty or fifty bank failures in Canada, in proportion to our population, and as a matter of fact we have had sixty or seventy bank failures in Canada in the past year. The failure of each branch of the

Home Bank is the failure of a bank just as much as the failure of an individual bank at any point in the United States. They have several systems in the United States, and I am not competent to speak with authority on any of them, but I do know that in some of the states where the branch bank system is operating—not on the same lines as ours but along similar lines—they have had more failures than in other states where branch banks are not permitted.

I believe that the motion of the hon. member for East Calgary (Mr. Irvine) is very good, but I think that instead of referring this matter to a special committee his motion, or something similar, should be referred to the select standing committee on Banking and Commerce, and I therefore propose to move an amendment:

That all the words after the word "That" be struck out and the following be substituted therefor:

In the opinion of this House, in view of the failure of the Home Bank and of the fact that official prosecutions and inquiries have been instituted, including the royal commission which has been appointed to investigate the facts alleged in the petition represented by the shareholders of the bank and the affairs of the bank generally, and considering that the evidence received and to be taken before the several tribunals will be available for consideration, the Select Standing Committee on Banking and Commerce should be instructed to consider the provisions of the Bank Act, with a view to recommending such amendments to the act as will better protect the interests of the depositors generally and will prevent similar occurrences in the future; and also to consider the report of the royal commission in its bearing upon these matters and with respect to the possibility of saving the Home Bank depositors from loss.

I think that will serve the purpose better than my hon. friend's resolution.

Sir HENRY DRAYTON (West Toronto): I propose to support a motion which will enable the standing committee on Banking and Commerce to consider this question, not in the autumn—even if a special session is called for it, which we know will not take place—not next year or the year after, but this session. The amendment of my hon. friend (Mr. Cahill) simply means that the hands of parliament are to be entirely tied for an indefinite period. We may just as well cut out the camouflage and get down to facts. My hon. friend talks about the evidence to be got from trials and the like, the help that will be given to the committee. He asks the committee to wait until this royal commission has royally functioned, and he ties the hands of parliament just as absolutely and effectively as if the motion itself was defeated. What is the need of the commission at all? What is the need of putting the question at all if the matter is to be so determined? Why, the whole thing has been inquired into, threshed over backwards and forwards. And what is to prevent the banking committee at any time taking up any question on banking? The thing is a farce and is intended as a farce—that and nothing else. Wait until the trials? Why there is to be a case tried before the Privy Council some time this summer, in the early summer, to find out how these fellows are to be tried; then after all that you have to get your trials. Let us be honest about this thing. Let us start in by trying to be a little honest about it. We can have no action now—action of any and every kind would be impossible now—if that amendment is accepted. That is the way, Mr. Speaker, which this amendment strikes me. It rather carries on the whole game the government is playing in connection with this bank.

Let us start out with the first order. That first order is theirs. There is nothing in it except the attempt that was made to get the hide of Sir Thomas White nailed by somebody. That is all that is in it. Is there any suggestion that there was anything wrong—

Mr. MACKENZIE KING: May I ask my hon. friend a question? Does he intend by that remark to say that was the object of the depositors in presenting the petition which they did?

Sir HENRY DRAYTON: We will get to that in a minute. I at least credit the government with some common sense and some knowledge of what they are doing. I credit them with that. I cannot credit them with this: That they are so fatuous as to think there was anything wrong with the Home Bank except those particular dates that they so particularly picked out.

Mr. MACKENZIE KING: Who picked out?—not the government.

Sir HENRY DRAYTON: My right hon. friend asks me who picked out the dates. Why, his very good supporter and a counsel of the depositors, Mr. W. T. J. Lee. He was the prime mover.

Mr. MACKENZIE KING: The counsel of the depositors.

Sir HENRY DRAYTON: Certainly that is what I am saying; that is where it comes from.

Mr. MACKENZIE KING: Let me understand aright. Does my hon. friend say that a certain gentleman took a position because he was a Liberal, or because he was counsel for the depositors?

Sir HENRY DRAYTON: I say that a certain gentleman, acting for this government took a position that was very convenient for the government to take.

Some hon. MEMBERS: Order.

Mr. MACKENZIE KING: I wish to state to my hon. friend that so far as this government is concerned it knew nothing whatever of the actions of the depositors in this matter, or of their counsel until they presented to the government the petition which the government has now placed before the commission.

Some hon. MEMBERS: Take it back.

Sir HENRY DRAYTON: There is nothing to take back. I repeat. Whether it be an accident, or anything else, that was a most convenient position for this government. What does it mean? What object is there in it?

Mr. FORKE: Do not get politics into this thing, anyway.

Some hon. MEMBERS: Hear, hear.

Sir HENRY DRAYTON: Well, the life line is already thrown out, and it is grabbed enthusiastically by hon. gentlemen opposite. I am anxious that this House, Mr. Speaker, shall have its hands untrammelled in doing what it thinks ought to be done and doing it now, and not in some other day within the future, and I am just trying to trace exactly how this thing works out. Is it intended to help the depositors? One would hardly think so. If it was to help the depositors there would be a plain straight declaration on the face of the very order in council itself showing that the government was not committed in the slightest degree to help out a depositor to the extent of one single sou. Oh, no, that was not the intention. What was it done for?

Mr. JACOBS: Would the hon. member tell me if he is in favour of helping the depositors?

Sir HENRY DRAYTON: The hon. gentleman is seeking very anxiously to get information just at the time he wants it. I do not think he really wants it. Let us see. We have that order in council, and it is an order in council not for the purpose of ascertaining what is wrong with banks, banking and bank laws; not really what was the matter with the Home Bank but what was the matter with Sir Thomas White, and that is just about the last thing that any depositor is really interested in, unless the government had said to the depositors "Make a case out against Sir Thomas White and we will undertake to pay you." If that had been done we could at least understand the order.

Now, what is the next thing? The next thing we have is an amplification of this order in council, an amplification of the order to this extent: That the business of the Home Bank—mind you the business of the Home Bank—this time is to be inquired into from the time it gets its charter until it winds up. Why one of the matters is known to my hon. friend. I have myself drawn it to the attention of the Prime Minister. I tried to-day to get an answer and did not succeed. One of the matters that ought to be inquired into is the question as to whether or not this institution ever should have been allowed to function. We have the application one year, then we have the delays and the trouble, and we have the removal of the hand of the person whoever it was, who in the first instance said "This is an institution that ought not to function as a bank". That is something we do not get under this order in council, amended and extended as it is to-day. That is something I would have thought the standing committee on Banking and Commerce would have the right at any time to look into.

There is another question about this bank which is really not touched at all. After all the chief crime about the Home Bank is that it was allowed to smash. Oh yes, there have been representations made to other ministers besides Sir Thomas White. Does anyone doubt it? Does not everyone know it? Why should we not know what representations were made in matters having to do not only with the bank business but having to do with the stand of the country towards keeping banks going? Why should we not get some information upon that point? That is another matter which is entirely outside of this order in council. That is some information as to facts and allegations placed before the government by the bank directors on their visit to Ottawa. That is entirely outside of this order in council. Oh, no; there may have been tremendous governmental mistakes that allowed a bank to crash, but nothing in the world is to be said about it, it is not to be inquired into.

Mr. MACKENZIE KING: The order in council was amended to include everything from the time at which the bank was created to the day of its failure. What does my hon. friend mean by saying that anything has been left outside of the scope of the inquiry?

I venture to say that if anything that touches this bank is outside the scope of the order in council it will be included.

Sir HENRY DRAYTON: I do not know what the trouble is with my right hon. friend, but I think I put him a pretty plain question not so very many days ago. I thought I repeated it here only to-day. He says everything is included. Why he knows the very question as to the incorporation of the bank is kept out and is not included.

Mr. MACKENZIE KING: May I say to my hon. friend right here that his remarks to-night have been directed along the line that this inquiry is going to take too long. The government, when it instituted the inquiry, took what the depositors were most interested in and desired to have looked into, and referred that to the commission, hoping they would get through with it as quickly as possible. It was thought that by confining it in that way it would not take so long.

Sir HENRY DRAYTON: My right hon. friend—

Mr. MACKENZIE KING: I am trying to answer my hon. friend.

Sir HENRY DRAYTON: I will let the right hon. Prime Minister answer any question he likes, but I have been waiting to get from this government some notion as to what their ideas were, but have not heard a single word, and now when I try to say something the hon. Prime Minister tries to make a speech.

Mr. MACKENZIE KING: I tried to answer the question as to whether or not the very points he speaks of should be included, and I have given him the reason why the order in council was framed as it was at the time. It was enlarged to bring the matter up to the time the bank failed. With regard to what happened before the bank was created. the circumstances that brought it into existence, I do not hesitate for one minute to say that the government will ask the commission to inquire into that point as well, if that will satisfy my hon. friend.

Sir HENRY DRAYTON: We have made a little progress. We have got something else from the government. Let us see if we can make some more progress.

Mr. MACKENZIE KING: It is all going to take time.

Sir HENRY DRAYTON: Will the hon. Prime Minister give us now, if he has them, the representations made by the directors who were here begging government assistance? He has got them.

Mr. MACKENZIE KING: I do not know what representations my hon. friend has reference to, but any representations made to the government will be placed before the commission, whatever they are and wherever they are.

Sir HENRY DRAYTON: What I am referring to I think my hon. friend understands.

Mr. MACKENZIE KING: I do not.

Sir HENRY DRAYTON: I refer to the representations made by the directors who came to Ottawa for the purpose of acquainting the government with the situation, and the statements made by them, the action taken by the government in allowing the bank to go, and their reasons for it. Now, none of these questions, Mr. Speaker, is covered by that order in council, and if there is anything that is vital for us to know, it is just exactly what happened at the wind-up, to see if anything could be done, for it is possible that something could be done. It has been done. My hon. friend knows it has been done. It is something that is possible. After all, the function of a government is to uphold banks, rather than to let them go in the discard.

Mr. JACOBS: Even if they are rotten to the core.

Sir HENRY DRAYTON: My hon. friend says "Even if they are rotten to the core". Banks have been saved which have been pretty rotten, and my hon. friend can find that out very, very quickly and very, very closely, and if there is anything that I am certainly not ashamed of, it was the action I took in saving that institution.

Mr. ROBB: What institution?

Sir HENRY DRAYTON: We all know that—

Mr. MACDONALD (Pictou): What institution does the hon. gentleman mean that he saved?

Sir HENRY DRAYTON: I do not know that I can add to my hon. friend's information on the point.

Mr. MACDONALD (Pictou): I did not catch the institution he referred to.

Sir HENRY DRAYTON: I cannot add to my hon. friend's information.

Mr. MACDONALD (Pictou): My hon. friend did some wonderful thing and will not tell us about it.

Sir HENRY DRAYTON: My hon. friend knows it is going to take a long time for any commission to go into the matter and to report. If we do not know that we are just as foolish as the right hon. Prime Minister thinks we are, but I do not think we are quite so foolish. I think we know that it is going to take a long time, and that it means there will be no action taken one way or the other.

I do not for one minute identify myself with many of the remarks made by the mover of the resolution (Mr. Irvine). I think he is all wrong. But there is one matter I want to identify myself with, Mr. Speaker, and that is that the worst thing that can be done to our financial institutions at the present time is the maintenance of a smoke screen and keeping up a situation which will not admit the fullest discussion and the brightest light of day. And the way to get it and the way to have it, to my mind, is before the Banking committee without restrictions. Why should this parliament shackle the Banking committee with a resolution of this character? I say I do not agree with ground taken by our hon. friend from East Calgary (Mr. Irvine). I think he is wrong. Take for example, what he says as to the assets of the banks of Canada, and what he says as to the 12 or 15 per cent—I forget the figure he gave, I think it was 12—of excess of assets over liabilities. Then in a subsequent sentence he said that that was only arrived at including bad debts, frozen credits, bank premises, and so forth. My hon. friend is quite wrong. That means that the banks, after every possible allowance is made, find themselves in that position. My hon. friend again is wrong. It is idle to say that there are no liars; but because we find a liar here—

An hon. MEMBER: Where?

Sir HENRY DRAYTON: It would be absolutely wrong to say that they were all liars over there. Some of them may be honest and I think they are. Just in the same way, it is ridiculous to say that because there is one thief, everybody else is a thief. We know that is not so. Because one bank is improperly run and managed, it is ridiculous to say that the rest are the same, or that simply because one bank goes wrong, all are to be suspected. My hon. friend goes too far altogether. He says that he wants to put Canadian banking upon a proper basis in order to restore confidence. His speech this afternoon, if taken seriously, would go a long way to dispel any possibility of confidence.

There is another point, and I think if my hon. friend looks into this, he will see the

fallacy of it. In one part of his speech he tells us that the banks are in this deplorable condition. In the next part of his speech he takes the position that the banks are so well off and prosperous that, without affecting their depositors or the interests of their shareholders, they can afford to shoulder the whole burden. My hon. friend is wrong there. He is right in this—that it is always better to have open and free discussion. The bank that ought to be respected has nothing to hide. Therefore, the position that I take is, in short, this, that any investigation into the Home Bank ought to be full and thorough; it ought to have to do, not only with its governmental connection during a certain period of its lifetime, but most particularly with its birth, and then, a great deal more emphatically and particularly, with its death. Further, if anything is to be done in connection with this matter, it is a great deal better that it should be done now. Why leave in the public mind the suspicion that people are giving voice to, that members of this House are giving voice to, as to the solvency of our institutions?

Mr. McCONICA: In the opinion of the hon. gentleman, would it be possible for the Banking committee or any other select committee during this session of Parliament to investigate fully the affairs of the Home Bank and to come to a definite conclusion as to its condition at the time it was formed, as to the maner in which it conducted its business and as to the shape in which it was when it went into liquidation?

Sir HENRY DRAYTON: They can do that at least as quickly as any royal commission, and there is no reason why they should not get to work, stick to it, and do it.

Mr. McCONICA: They cannot finish it.

Sir HENRY DRAYTON: I do not know why they could not or should not. In any event, they will have to do it sooner or later. Whatever work is done by any royal commission, if anything is wrong, has all to be done over again before that committee. No measure of relief or change in the law can be carried out by the commission. Any fences that are found to be down cannot be re-erected by the commission. In any event, the work has to be done by the committee. If the government wants to have the commission running around, all right; but if we are really serious about this, we should say one of two things: Either that because there is a royal commission, nothing is to be done until that commission reports in so many words—and that means that we shall do nothing this year—or we should reject the amendment

moved by the hon. member for Pontiac (Mr. Cahill).

Hon. E. M. MACDONALD (Minister of National Defence): Mr. Speaker, I think the admission of my hon. friend the former Minister of Finance (Sir Henry Drayton) is one of the most peculiar utterances we have ever heard in this House on a serious question. Altogether it is rather a unique situation that an hon. gentleman speaking for the opposition should have been a Minister of Finance of this country during a period in which he ought to have known something about this bank. It is generally understood that my hon. friend had in his possession certain information that had been given to Sir Thomas White in previous years, and I think many in this House would view with some suspicion this attempt to sidetrack a deliberate effort which I believe the House will appreciate on the part of this government to find out the true facts in regard to the whole situation and to take action immediately those facts are found. That is the policy of this government. Imagine my hon. friend intimating to this House that the sole purpose of the organization of the commission was to get after Sir Thomas White. That is a peculiar statement, and one which my hon. friend knew, when he made it, had no warrant in fact.

Sir HENRY DRAYTON: My hon. friend says I made a statement which I knew to be untrue when I made it?

Mr. MACDONALD (Pictou): No.

Sir HENRY DRAYTON: What did he say.

Mr. MACDONALD (Pictou): No warrant in fact. That is what I said.

Sir HENRY DRAYTON: He said that I knew it had no warrant in fact. I now ask for a ruling from the Chair whether that is a parliamentary expression.

Mr. SPEAKER: I think the Minister of National Defence said that what had been stated by the hon. gentleman was not warranted in fact. I did not catch the words "that he knew."

Sir HENRY DRAYTON: "To my knowledge."

Mr. MEIGHEN: The Minister of National Defence said, and very emphatically, that the hon. member for West York (Sir Henry Drayton) had made a statement which, at the time he made it, he knew had no warrant in fact. That is a distinct violation of the rules, even though supported by the laughter of hon. gentlemen behind.

Mr. MACDONALD (Pictou): Do I understand that my hon. friend says that he did not know that there was no warrant in fact for his statement?

Sir HENRY DRAYTON: I have asked for a ruling.

Mr. SPEAKER: No hon. gentleman can impute motives, and if the Minister of National Defence said that the hon. gentleman knew that the statement was not warrant in fact, that is not parliamentary.

Mr. MACDONALD (Pictou): I will say this, that if my hon. friend did not know it, he ought to have known it, because if my hon. friend had taken the slightest trouble—

Sir HENRY DRAYTON: I would ask the Chair to request the hon. member to withdraw his statement.

Mr. SPEAKER: I will ask the hon. gentleman if he will withdraw that statement.

Mr. MACDONALD (Pictou): Certainly. And I will show this House before I finish the few remarks I have to make that my hon. friend ought to have known there was no warrant for that statement. He knew there was presented to the government a petition from—

Mr. MEIGHEN: Mr. Speaker, I rise to a point of order. The rule is of no avail whatever if that is to be considered a withdrawal. I ask again for a ruling as to whether anything the minister has said is a withdrawal in any sense whatever.

Mr. SPEAKER: He has withdrawn the statement. He made a sign.

Mr. MEIGHEN: I did not hear it.

Mr. DUFF: Yes, he withdrew the statement.

Mr. MACDONALD (Pictou): Certainly.

Mr. MEIGHEN: If the minister says he has withdrawn, I am satisfied.

Mr. MACDONALD (Pictou): Certainly. My hon. friend from West York (Sir Henry Drayton) knew that there had been a petition presented to the government on behalf of sixty thousand depositors who had lost their money in the Home Bank. That petition was

presented by a representative delegation of men from all parts of the country, from British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec. It was in the following terms:

To His Excellency General the Right Honourable Lord Byng of Vimy, G.C.B., G.C.M.G., M.V.O., Governor General of the Dominion of Canada, in Council.

The petition of the undersigned members of the Executive Committee of the depositors in the Home Bank of Canada, humbly sheweth:—

(1) Your Petitioners are residents of various parts of the Dominion of Canada and are the duly appointed executive committee representing about sixty thousand depositors in the Home Bank of Canada.

(2) The said Bank was a Chartered Bank doing business under the provision of the Bank Act. Your petitioners are informed and believe that in the years 1915 and again in 1916 and in 1918 representations were made to the Department of Finance of the Dominion of Canada respecting the condition of the Home Bank of Canada and revealing a state of affairs that would have justified an investigation by the Department of Finance under the powers conferred upon the Minister of Finance under Section 56A of the Bank Act, whereby he was authorized to examine and enquire specially into any of the affairs or business of the Bank.

(3) Your Petitioners realize the seriousness of such action on the part of the Minister of Finance, and that the mere fact of causing an audit to be made might in itself bring about the failure of the said bank.

(4) Your Petitioners are also aware that at the time such representations and disclosures were made, the Country was at War and that the Minister of Finance, having regard to the public interest, was unwilling to precipitate a bank failure or crisis, or in any way disturb the financial condition of the Country, and that for such reason and on other good and sufficient public grounds, may not have deemed it advisable to exercise the power above referred to.

(5) If such audit had been made your Petitioners believe that the condition of the Bank would have been shewn to be such that its continuance in business could not have been further permitted.

(6) Your Petitioners believe that if the said Bank had ceased doing business at the time the said disclosures were made the then existing assets would have been almost, if not quite sufficient to meet all claims of creditors, whereas, by reason of the Bank continuing in business until the 17th day of August, 1923, and greatly increasing the amount of money belonging to the public on deposit, and at the same time permitting the assets of the said Bank to be greatly diminished in proportion to the amount of the deposits, the present depositors have suffered and will unless relief is granted, suffer a very severe loss.

(7) Your petitioners submit that the reasons an audit was not made of the said Bank, in accordance with the powers vested in the Minister of Finance, were reasons of a public and national character, and intended for the benefit of the public at large, and that therefore the loss to the present depositors occasioned by the Bank being permitted to continue to do business should be borne by the public at large and not by the present depositors.

(8) The said Bank and its predecessors. The Toronto Savings Bank and the Home Savings and Loan Company had for over fifty years been regarded as a safe depository for the savings of the public and the class of people who deposited their money in the said Bank was largely composed of wage earners with small earnings and their deposits consisted in many cases of the whole savings of a life-time.

(9) Your Petitioners submit that the confidence of the simple people throughout Canada in the banking institutions of the country is of the very greatest importance to the industrial and commercial interests of the country and that the lack of such confidence would have a serious and detrimental effect on the whole industrial and commercial prosperity of the country.

(10) Your Petitioners therefore submit that whether rightly or wrongly the depositors of the Home Bank of Canada were largely of the opinion that the Finance Department of the Government of Canada exercised such supervision over chartered Banks that it was impossible for depositors to lose their savings entrusted to such a bank the charter of which had been renewed from time to time by parliament and it is further submitted that the confidence of the people as a whole would be greatly restored if adequate relief were granted to these depositors.

Wherefore your petitioners pray that your Excellency be pleased to submit to Parliament an Act for the full indemnity of the depositors of the Home Bank of Canada against any loss suffered by reason of the failure of the said bank.

And your petitioners as in duty bound will ever pray.

Dated this 23rd day of January, 1924.

W. T. J. Lee.

Edgar C. Sanders,	Paul Poisson,
R. M. G. Anglin,	A. G. Browning,
E. H. Cleary,	W. T. Kernahan,
W. A. Dover,	J. H. Mitchell.
J. A. Sinclair,	J. C. Brudy,
Henry Winfield,	J. O. Reilly,
Arthur English,	J. F. Edgar,
S. S. Henderson,	J. P. Greacy,
H. H. Higginbotham,	W. A. Buchner,
A. B. Campbell,	J. I. Weedon.

The delegation which presented that petition, made up, as I have said, of representative men from all parts of the country, alleged that in the years mentioned in the petition the attention of the then Minister of Finance, Sir Thomas White, had been called to the condition of the bank, and they asserted that instead of performing his duty under the provisions of section 56a of the then Bank Act, he made no audit such as was contemplated, and that had he taken this course a situation would have been disclosed which although it would probably have caused the failure of the bank, would have enabled the depositors to be reimbursed. That was their case. Therefore they claimed that on principles of justice and fair play they should be paid their deposits. They presented for the consideration of the government an interview which was given by Sir Thomas White to the Canadian Press, in which he admitted that he had received representations in regard to the bank, but gave the war and other reasons—I need not quote the interview in detail; most of it is unquestionably known to hon. gentlemen—as his justification for not having an audit made.

Now, I leave it to the judgment of every hon. member as to what was the duty of this government under the circumstances. Would the government have been justified, without any investigation, in asking parliament to vote the money necessary to compensate the

depositors for their losses? If, without a full and complete investigation, they had done so, then they would have been making the Treasury liable not merely to those who lost money in the Home Bank, but to those who had lost money in the Farmers' Bank and in all other bank failures which had occurred in the history of the Dominion. Well, what was to be done? Was not the most natural and ordinary thing to do to make an investigation into the truth of the allegations set out in the petition? It was when we decided to make that investigation, in making which my hon. friend says, we were taking a political course entirely in order to get after Sir Thomas White.

Sir HENRY DRAYTON: Hear, hear.

Mr. MACDONALD (Pictou): In the face of the petition presented to us, does my hon. friend mean to say there was any other course open to the government than the course we adopted of ordering a judicial investigation?

Sir HENRY DRAYTON: Certainly.

Mr. MACDONALD (Pictou): Mr. Speaker, what was the course adopted by the government of Sir Robert Borden in 1912, when allegations were made by the depositors of the Farmers' Bank which had recently failed with regard to the circumstances under which its charter was granted? Sir Thomas White himself was the finance minister at the time, and he and his friends cannot now complain if we have followed what he then recommended—Sir Thomas White recommended to Council the appointment of the late Sir William Meredith, then Chief Justice of Ontario, to examine into the truth of the statements contained in the petition. We have taken the same course to-day.

Then when parliament meets my hon. friends opposite say: "Oh, you are not investigating this thing completely enough." Well, we started out to do what the depositors wanted us to do. We took the position that if the statements contained in their petition were proved to be correct by the Chief Justice of New Brunswick, a jurist of high repute, then the government would be bound to take some action in regard to the matter. But my hon. friends come along and say: "We don't want to find out what these depositors want to find out; we want everything investigated from the beginning to the end."

Sir HENRY DRAYTON: If the government was so anxious to do just what the depositors asked, may I ask whether this sentence was put in at the request of the depositors:

—without in an way accepting the view that in the circumstances mentioned it is proper for the government to expend public moneys in the relief of the depositors of the said bank.

Mr. MACDONALD (Pictou): I have no doubt that the same clause was inserted in the order in council appointing Sir William Meredith. We were not going to prejudge the case; by that statement we simply reserved to ourselves the right to act upon this matter when the commissioner reported. If we were to decide in advance that we were going to pay the money without any investigation, then—

Sir HENRY DRAYTON: You are having an investigation.

Mr. MACDONALD (Pictou): My hon. friend knows that very well. We simply reserve our judgment until we have an investigation made by Chief Justice McKeown into the allegations made by the depositors. If we find that those allegations are true, then the government will have to consider what course to pursue. We appointed a commission; the commissioner has made full arrangements; he has given up his circuit in New Brunswick and begins his hearings in Ottawa on April 16. He is prepared also to go to Toronto in order that full evidence may be heard. Was there anything wrong in our course up to that point? Did a single depositor find fault with us for taking that course? What other course could we have taken? If the commissioner had had nothing else to do than inquire into the statements made in the petition, there is no reason why we could not have had a report from him within a very short time. But my hon. friends come along and they want all sorts of things inquired into, which may not have the slightest relevance to the question whether or not the country should contribute any money to the depositors. The depositors have made their case; they have submitted their argument, and we are finding out the facts. We are prepared to act either on an interim report or upon the final report when presented, which we hope will be at the earliest possible day.

The hon. member for West York (Sir Henry Drayton) to a certain extent is involved in this matter. As a result of the representations made by hon. gentlemen opposite, the powers of the commissioner have been extended—

—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 any 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.

So my hon. friend's conduct as Minister of Finance comes under review before the commission.

Sir HENRY DRAYTON: Not in the first order, but in the one we wanted.

Mr. MACDONALD (Pictou): My hon. friend did not know what he wanted.

Sir HENRY DRAYTON: Yes, he did.

Mr. MACDONALD (Pictou): He did not know anything about the order until we brought it here. He talked about having wide investigations. We are willing to have wide investigations—anxious to have them. But we do not want the case of the depositors as presented to us—and because it involved Sir Thomas White we are told we are playing politics in investigating the matter—to be imperilled or interfered with; we do not want anything to prevent its full consideration by the commissioner and his early report thereon to the government.

Now, my hon. friend, speaking of the amendment of the hon. member for Pontiac (Mr. Cahill), said that it meant that nothing could be done, that parliament was tying its hands until the result of the criminal actions was known. Probably my hon. friend made that criticism simply on hearing the resolution read, and did not know just what the effect of the resolution was. In other words, he made a hasty criticism of it—and that is speaking very kindly. As I understand the resolution of the hon. member for Pontiac, it deals very fully and completely with the proposal that was brought before the House to-day by the hon. member for East Calgary (Mr. Irvine).

What did the hon. member for East Calgary propose? His motion is:

> That, in the opinion of this House, a parliamentary committee should be appointed immediately to investigate the Home Bank failure, with a view to discovering any weaknesses in the Bank Act which may be amended to prevent a similar occurrence; to devise some means of protecting depositors generally; and to make recommendation as to the possibility of saving the Home Bank depositors from loss.

The resolution of the hon. member for Pontiac deals with the three matters that are referred to by the hon. member for East Calgary; He recognizes the fact that investigations have been made by the curator; that investigations have been made at the request of my hon. friend, the Acting Minister of Finance (Mr. Robb) that other information is obtainable from the investigation made by the Attorney General of Ontario; that the commission which we have

appointed is proceeding to function; and that the evidence taken before that commission will be available day by day to go before the Banking and Commerce committee. My hon. friend suggests that an inquiry by a commissioner will take longer than an inquiry before a parliamentary committee. But hon. gentlemen should remember that the commissioner in this case is a judge who will sit every day from ten o'clock in the morning until the usual time for the closing of the day's proceedings, and he will be attending to the one task of ascertaining the facts in connection with the allegations made by the depositors in their petition. That is his business; that is his duty. How can a committee of the House of Commons sit except in the mornings for an hour or two? How can they give full attention to this matter with hon. gentlemen giving consideration to the other important questions that come before this House? What possible attention could be given to details except by the retaining of counsel and all that kind of thing? Any gentleman who has had experience in regard to inquiries the purpose of which has been to ascertain the truth in reference to public questions will realize that a trained jurist who devotes himself exclusively to the task of getting at the truth will do so more effectively than a parliamentary committee which can only sit occasionally and do desultory work. So that as I understand the resolution of the hon. member for Pontiac, there will be committed to the Banking and Commerce committee at once the task of considering this question of the Home Bank failure, of considering the evidence adduced before the commission and of obtaining it day by day as it is given. With that evidence before them they can proceed to make such recommendations as they deem wise and which can be crystallized into legislation for the purpose of preventing a condition of affairs from arising in the future similar to that which has arisen in connection with the Home Bank, and for the purpose of protecting the rights of depositors in the future. The motion also provides that when the report of the commissioner is presented—which the government hope will be well before the conclusion of this session—the committee on Banking and Commerce will have the right to consider it and to deal with the question whether something should be done to assist the depositors in the matter of their losses. I submit that the resolution of the hon. member for Pontiac is one that ought to commend itself to the judgment of every hon. member of this House who is anxious that the interests of the public shall be protected and

that a full and proper inquiry shall be made into this matter. And that inquiry should first be into the facts alleged by the petitioners,—let us never get away from that; hon. gentlemen may talk about paying these losses, and it is right that they should talk about it. But when we come to consider how this matter was first initiated and brought to the attention of the government; when we remember that representatives of 60,000 depositors, who had made their organization and retained counsel, came to the government and made requests based on a certain statement of facts, I submit, Mr. Speaker, that this House will agree that this government did the wise thing in endeavouring to find out first as to the truth of the facts alleged, and the government will be prepared to act. The committee will be asked to consider the findings made by the commissioner dealing with that particular matter. It should be the first matter submitted to the commissioner.

That is the situation, Mr. Speaker. What more could this government do? Every hon. member that sits in this House knows of hard cases that have arisen wherever the Home Bank had an agency. Pathetic stories have come to us all, of the widowed mother left alone with no money, and of organizations that have lost all their funds. Sad cases are to be found all over the country, and I am sure that every hon. member of this House approaches the consideration of this question in a most sympathetic way. I think I can speak for my colleagues as well as myself when I say that we all do so. But we want to have the matter dealt with on proper business lines. We want to have findings made by a proper tribunal, to be submitted to this House.

It is alleged that there were certain peculiar circumstances in connection with the Home Bank which were responsible for its failure. It is alleged that those circumstances were such that in the interest of the country and as a matter of fairness and justice this parliament should reimburse the depositors. It is alleged too that the circumstances in this case are different from those which existed in the case of any other bank that failed, but unless it is shown that that condition existed, in what different position are the Home Bank people from those of any other bank that has failed ever since confederation? We want to find out what the facts are, and I think we are taking the most effectual way for the purpose of getting the facts, and the government will act in this matter. The desire of the government is that the commissioner should proceed with the greatest possible speed in dealing with this question.

It has been suggested by somebody that this government have some reason for not wanting a full investigation. As the Prime Minister has said more than once, there is not a single item in connection with this Home Bank from the period previous to the granting of its charter down to the last moment but what this government is fully prepared to have investigated. But I want to say to hon. gentlemen that those who desire to have speedy action taken in this matter do not want to have a herring drawn across the trail, as the ex-Minister of Finance (Sir Henry Drayton) attempted to do to-night in order to mix this matter up. Let the commissioner deal with this question of the request of the petitioners and report, and then let us have the fullest possible investigation of all the doings of the finance ministers during the life of the bank.

I just want to make one point more. It is alleged here that Sir Thomas White has given as a reason that he did not have the audit made which was contemplated under the old Bank Act the fact that we were at war and the danger to public credit by proceeding at that time. Now, when a duty is imposed on a minister of the Crown under a statute he is bound to carry out that duty, and if the statute does not create some exception which would enable him to evade responsibility, then he should proceed to carry out his duty. It does not make, to my mind, the slightest difference in the consideration of this question as to what reason Sir Thomas White gives why he did not act. The statute says that he could act, that the audit could be made, and he has not made the audit; that is the situation. You may excuse, you may explain, but you cannot justify. If there was given to Sir Thomas White in 1916 and in 1918 evidence from responsible and competent sources which required action on his part, it does not make a bit of difference whether the country was at war or not; I submit he should act under the statute. I only mention that because we have had discussions in this House as to whether he should or should not have acted in view of the fact that we were at war. There is nothing in the statute that exempts him or excuses him for not acting in case of war or in any other case.

Now the question before the House, Mr. Speaker, is this. Approaching the consideration of this matter, as I am sure hon. members do, or ought to do, from a sympathetic point of view, and having regard to the general interests of the whole country. I do submit that the course which the government has adopted will result in a more speedy inquiry, an inquiry which will be

complete and full, and which will give to the House and the country a report and information upon which we can act. The amendment of my hon. friend from Pontiac (Mr. Cahill) will give full and complete authority to the Banking and Commerce committee to go into this whole question and enable them to report to parliament their recommendations in regard to this whole matter.

Mr. JOHN MORRISON (Weyburn): Mr. Speaker, I wish to take a non-partisan stand in this debate to-night. I submit, Sir, that what is most needed to-day is the restoration of confidence in our banking institutions. To-day throughout the country business is stagnant, and men are not sure just where they are at. I am sorry to see this debate develop into such a partisan squabble as it has to-night.

I submit, Mr. Speaker, that it is the function of government to provide a sound monetary system for the country. If a government sees fit to do that by proxy, it may; but I do think that a government cannot delegate its moral obligations to banks. The government has a duty to the people which it can only discharge by providing a sound, monetary system and a thorough banking system which will be absolutely safe.

The hon. member for Kindersley (Mr. Carmichael) said that he was against the government reimbursing the depositors of the Home Bank because it would create a precedent, and other hon. members have taken the same view—a precedent that would be very costly to Canada. I wish to state that such a precedent would not be as costly as the repetition of bank failures has been. Some change is very, very necessary. The annual reports of our banks for the last two years have all been such as would lead the public to believe that they were all absolutely sound, and yet a number of them were in considerable difficulties. What confidence can be expected to be placed in the other banks more than in those that have been proved to be in difficulties?

Last year when the Bank Act was under discussion the banks used all their powers, which were many, in resisting the attempts of some hon. members to provide for government inspection of the banks. Now we have the evidence that some other system of inspection than prevails at present is very necessary in the interests of the banks themselves as well as of the people.

I do not think the comparison of the Farmers' Bank with the Home Bank is a fair one, as the government knew in 1916 the Home Bank was not in a sound condition. Sir Thomas White, it is alleged, said that it was not in the public interest to permit a bank failure. I think he meant it was not in the public interest to admit a bank failure. If the Home Bank was wrong at that time, which we have every reason to believe, if it was really broke then, and that knowledge was kept from the public, I do not see why this $11,000,000 loss should be saddled on the shareholders of the Home Bank. Some say it will be eleven millions that Canada will have to shoulder and that we cannot afford it. We can afford to stand the loss of such a sum much better than the depositors can. Eleven million dollars sounds like a lot of money. It is a lot for the few depositors of the Home Bank to lose, but it is not too big an amount for all the people of Canada to pay; and if it was lost in the interest of the Dominion as a whole, if it is to be regarded practically as a war measure, then it is right that we should shoulder the burden and not place that obligation on the shoulders of a few. The country is engaged in looking after the returned men and providing for them, loaning them money and financing them, because of the sacrifices they made during the war. If the sacrifices of the depositors of the Home Bank can also be regarded as a war measure, and the people of Canada benefited therefrom, I think the Dominion should come to their assistance and assume the burden.

Mr. A. F. HEALY (North Essex): The constituency I represent is vitally interested in this question. At the time of the Home Bank failure we had five branches with $1,120,000 on deposit and 4,000 depositors. Now, up to the moment the hon. member for West York (Sir Henry Drayton) spoke this debate had been carried on absolutely free of any political complexion of any kind. I am sorry indeed to see any hon. member of this House attempt to make the just claims of the depositors of the Home Bank a political football. No good can come from taking that attitude and I, for one, say, Mr. Speaker, that whether the charter was granted wrongfully, whether any minister of finance or officer at a later date did something, or did not do something, that he should have done is not the question that interests the depositors of the Home Bank. I have no desire to attempt to attach blame for the failure of the Home Bank to any one, or to any party; but I do say that in my opinion in seconding the amendment to the resolution I have taken the best course to protect the rights and interests of four thousand of my constituents. If it can

be shown, and if it is shown, that something was not done that should have been done, and for that reason this case is entirely different from some of the other failures and that it was for the benefit of the general public or for the benefit of the Bankers' Association, then I think these depositors should be paid, and paid in full.

Now, what is the best and quickest way to get relief? Are we to throw this question into the hands of a committee who can summon witnesses from all over, or is this committee to sit and duly accept the evidence that is submitted before the commissioner and duly to consider these points, and at any time bring in a recommendation to this House? The committee may not have to wait until the final report is in before making a recommendation. If the hon. member for West York is prepared to move to-night that these depositors be paid at once without any further investigation I will support his motion. But surely no member of the House is prepared to-night to take such an attitude. If the depositors are to be paid the question comes up, who should pay them? I claim that the members of the Bankers' Association, in co-operation with the government, should pay the depositors, for the reason that if anyone was saved by the action of the then finance minister it certainly was the chartered banks of Canada. On whom would have fallen the first loss? On the chartered banks. For that reason these banks should take an entirely different attitude from what they are pursuing in this situation.

From time to time last year I attended the sittings of the select standing committee on Banking and Commerce when they were considering the Bank Act. I was not a member of the committee, but I found an atmosphere there that should not have existed. When the representatives of the people were attempting—and they do not pretend to be experts; none of us are financial experts—to amend the Bank Act I found an atmosphere of war existing, an atmosphere of war between the banks and the people of Canada—that was what existed at the sitting of the committee on Banking and Commerce. When I went there I viewed a circle of the highest-priced counsel in Canada surrounding the representatives of the people, and I felt that they were being surrounded by a bunch of high-priced gunmen. Why, some hon. members were almost afraid to open their mouths before that committee.

Mr. GARLAND (Bow River): Not all of them.

Mr. HEALY: That is not an atmosphere that should exist in this country. We are groping for light in this situation. I will admit that I would not be able to give a suggestion, because I am not an expert in banking; but I do say that from the bankers of this country a group can be got together, and a very small group, that in a very short time can show the people of this country how their savings can be ensured. The bankers of this country are the only people who can do it and do it safely. Therefore, they should co-operate with the representatives of the people, and bring the suggestion here so that we can put it in the form of legislation. That is one point.

Another point is that there should be a different method of inspection. It should not be government inspection but inspection of banks by banks. The bankers of this country can form a corps of inspectors, comprising expert government representatives whose inspection could be so thorough that it would be impossible for a single cent to be lost by the depositor, because before the capital employed in the bank would be used up from the knowledge that these men would have the bank would be closed and loss to the depositors saved. Therefore I say that with that inspection it is possible to ensure deposits. In bringing about that desirable result I am asking the co-operation not only of the bankers but of every member of this House and of every party. By carrying out this suggestion, we shall be doing what I believe the people are to-day demanding of their representatives.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I desire only to add a few words at the present time to what has been said, chiefly with a view to making more clear—and placing if I can in a fair light before the House—the position of Sir Thomas White, not now a member but formerly Minister of Finance.

May I commence by saying that I have never been disposed to assume an attitude of hostility, either to the depositors on the one hand or the government on the other, in relation to this matter. I have had many delegations—well, not many but some—wait upon me up to the time of the issue of the first commission which is under review to-night, and I fancy if any of those delegates are interviewed they will say that I expressed no criticism whatever of the relationship of the government to the bank. I have had some experience in matters of this kind and I know how difficult such a situation is for an administration. I was, however, astonished

when the terms of the commission were first announced. I may be wrong but I think I can divine to-night the hand that wrote the commission. I think I see behind the throne in this matter the instigator of what was intended to be a purely partisan investigation designed to injure a political opponent. Let us look over the history of the matter. The bank failed in the month of August. Many depositors over the length and breadth of our country were ruined. Others were nearly ruined. Widespread distress prevailed. People in distress are not disposed to be quite as fair-minded as they would be under other circumstances. They are disposed to grasp at anything at all that can be elevated into a complaint or a greivance, and to seek to build thereon a claim to be recouped. In doubtless this state of mind those who suffered most, the depositors, came to the government. They alleged that at a period in the prior history of the bank certain representations had been made impeaching in some way the integrity of the institution, and they alleged that had certain action then been taken the failure which they admitted would have resulted would have been less disastrous than now is the result, after some years delay. One would imagine that they had gone much further, to listen to the words of the Minister of National Defence (Mr. Macdonald). One would have imagined—indeed, he stated in so many words—that they had asked for an inquiry into allegations of negligence and breach of duty, and that the government had simply acceded to their demand in granting the inquiry.

Mr. MACDONALD (Pictou): I did not say that they had asked for an inquiry. I said they asked for the payment of the money and that the government felt that it would be necessary to ascertain the truth of the allegation before acting.

Mr. MEIGHEN: The minister went further.

Mr. MACDONALD (Pictou): Not at all.

Mr. MEIGHEN: He stated that in asking for the inquiry they had only done what was asked for by the depositors.

Mr. MACDONALD (Pictou): Not at all.

Mr. MEIGHEN: Very well. I put myself in the judgment of the House if that was not the statement of the minister. Now as a matter of fact there was no allegation, either of malfeasance of office, of negligence or of error in judgment in any of the representations of the petitioners to this government. Indeed, the whole body of the petition was an admission that Sir Thomas White had performed his duty in each of the decisions he had arrived at in relation to the bank. But the Minister of National Defence (Mr. Macdonald) to-night has gone so far as to plainly intimate that there was a compulsion in law upon Sir Thomas White, and that to that compulsion he failed to respond and that in failing so to respond he could not plead the exigencies of the war.

Mr. MACDONALD (Pictou): What I said on that point was this: that if a proper complaint requiring an audit under the provisions of the Bank Act, section 56 (a), as stated in the petition, was made to Sir Thomas White that he would be bound to carry out the statute; and the fact that the war was on was no excuse or justification, as it is not provided for in the statutes.

Mr. MEIGHEN: After the minister said what I have stated, or words to the same effect, he did say what he says now; but he preceded it with the other statement. The intimation he wished to convey was that there was an allegation of malfeasance of office, an allegation of neglect of duty against Sir Thomas White, which allegation never existed and never was presented to the government.

Mr. MACDONALD (Pictou): I never used those words.

Mr. MEIGHEN: Well, "neglected duty" is a mild expression for what Sir Thomas White would have been guilty of, had the minister's words been given their full and complete interpretation. What I say is this: That Sir Thomas White has not pleaded the war by way of any defence for omission of a duty he otherwise would have performed. Sir Thomas White has said that because a war was raging, because of the financial conditions that necessarily surround a war, he had to be all the more careful that he did not unnecessarily precipitate a financial crisis. But what I want to say to-night is this: That in order to ascertain the facts connected with Sir Thomas White's relationship to the bank, the government do not need any commission of inquiry. There were not any allegations of verbal representations and of verbal replies. What took place took place in writing and all was on the record, open to the inspection of the government, and open for their review and decision; and if upon that record they came to the conclusion that they were responsible as

a government, that in any way Sir Thomas White failed in his duty—

Mr. MACDONALD (Pictou): Does the right hon. gentleman mean to say that this government got the complaint that was made to Sir Thomas White in 1916? All I have to say is that there was no such record in the department.

Mr. MEIGHEN: I fancy, from the hon. minister's knowledge of the department, that I was right in divining who was behind the order in council. But let me say that the records of the department showed what the complaint was, and showed what was done. The records of the department were transmitted to Sir Thomas White after the failure of the bank, and had been in the department up to that time. I have a copy of them in my hand. They disclose the nature of the complaint complete, and disclose Sir Thomas White's conduct after, and there is never an allegation that either the complaint or the conduct that followed the complaint differed in the least degree from that reflected in this correspondence. So that the government had everything before it. The government was in a position to act, but the government shunted the thing, in order to bring the country, if they could, to a suspicion or a belief that in some way the question revolved around the culpability of Sir Thomas White; and in that way they hoped to secure a sort of political advantage as respects himself and his party, and consequently, what is dear to their hearts, a postponement of their responsibility.

Mr. ROBB: Does my hon. friend still maintain that there was in the public records of the department the correspondence that was sent to Sir Thomas White?

Mr. MEIGHEN: Yes.

Mr. ROBB: Or does he mean to say that Sir Thomas White, when he left office, had left with his secretary an envelope to give to his successor; and that when the announcement of the failure took place that secretary sent this confidential document on to Sir Thomas White, and the Minister of Finance (Mr. Fielding) gave out a statement that it was private correspondence and he supposed it belonged to Sir Thomas White?

Mr. MEIGHEN: Sir Thomas White left it to the department as a public record.

Mr. ROBB: Not at all.

Mr. MEIGHEN: Yes, he did, and I have Sir Thomas White's letter to that effect in my possession. It never was intended to be anything but a public record, and in its essence it is a public record. You cannot make a public record a private record.

Mr. ROBB: These documents were sent to Sir Thomas White. Does the right hon. gentleman deny that the secretary sent the documents on to Sir Thomas White? Will he say now that Sir Thomas White, up to this minute, has yet returned the original documents to the department?

Mr. MEIGHEN: I do not know who sent them to him. I know they were sent from the department to Sir Thomas White after the failure of the Home Bank, having lain there all the time prior to that.

Mr. MACDONALD (Pictou): Private and confidential.

Mr. MEIGHEN: No, they were not. Sir Thomas White never intended them to be. If they were private and confidential, why did he not take them with him?

Mr. JACOBS: Ask Sir Thomas White.

Mr. MEIGHEN: They were public documents.

Mr. ROBB: If they were public, why has Sir Thomas White not returned them to the department?

Mr. MEIGHEN: No doubt the department has a record of them. The government would know what they were before they sent them out.

Mr. GRAHAM: Is this difference of opinion not the best proof possible that an investigation is necessary?

Mr. MEIGHEN: I will answer my hon. friend. In the first place, I do not think there is any difference of opinion. These were documents on the records of the department. Some of them had been marked "private" at the time, as many a document is; but when a minister leaves a department and leaves documents there, those documents are public documents. If they are private documents, he takes them with him, because he is a private citizen after that. He does not leave a private file in the department to be treated as private, and he never intended these to be treated as private.

Mr. GRAHAM: Why does he not send them back?

Mr. MEIGHEN: Evidently the government does not want them, and I would presume he would expect the government to have a copy.

Mr. MACKENZIE KING: The leader of the opposition has said that the government had a knowledge of those documents to which he has just made reference. The member of the government that would have the knowledge, if any, would be the Minister of Finance (Mr. Fielding). When I came back from England, I took occasion to ask the Minister of Finance whether he had any knowledge whatever of this particular document. Mr. Fielding told me that he had not; that if the question were raised at any time, I had his authority to say that he had not; that until after the private secretary in whose hands Sir Thomas White had left those documents, had returned them to Sir Thomas White at Toronto, he had no knowledge that any such documents existed.

Mr. MEIGHEN: All I can say is that from the information I have it would be his own fault.

Mr. MACKENZIE KING: If Mr. Fielding were here to answer that insinuation, I would not reply to my right hon. friend when he says, "it was his own fault."

Mr. MEIGHEN: What does my right hon. friend mean by that? I am saying that the documents are public documents. I cannot help it if he did not look at them.

Mr. MACKENZIE KING: They were not public documents; they were documents that Sir Thomas White had left with his secretary as private documents. He regarded them as private documents and they have been so treated.

Mr. MEIGHEN: The previous minister ought to know best of all, and he has stated —and I have his word in writing—that he left them in the department intending them to be public documents. The documents themselves disclose the fact that they are public documents. They deal with public matters in a public way. In fact, I do not know that I have observed that even the word "private" is marked upon them. Certainly, the word "private" is not marked upon many of them. Some of them, I notice, have the word "personal" upon them, as many documents are marked.

Mr. ROBB: Does my right hon. friend now admit that he has those documents in his possession?

Mr. MEIGHEN: No, I have copies of them! Sir Thomas White has given me copies of the documents.

Mr. MACDONALD (Pictou): Why does he not send copies to the department?

[Mr. Meighen.]

Mr. MEIGHEN: It is a wonder to me why they were sent to Sir Thomas White immediately after the failure of the Home Bank.

Mr. MACDONALD (Pictou): The private secretary of Sir Thomas White was also private secretary of his successor.

Mr. MEIGHEN: Ask the private secretary why he returned them.

Mr. GRAHAM: Ask Sir Henry Drayton. He knows about them.

Mr. MEIGHEN: This is the kernel of the whole thing, and consequently it excites hon. gentlemen opposite. They do not get rid of the fact that the documents were all at their disposal and that they were not sent to Sir Thomas White until after the bank failure. The government knew right well that if they would send them out, they could easily get them. The whole thing is open and clear as day.

Some hon. MEMBERS: Oh, oh.

Mr. MACDONALD (Pictou): As clear as mud.

Mr. MEIGHEN: Hon. gentlemen are hiding themselves in laughter, and I admit that they have attained a certain degree of perfection in that art that far surpasses any that they have attained in any other. All is on record. All was before them in their files for nearly two years. They sent it away afterwards on the plea that it was a private document.

Mr. MACKENZIE KING: I take strong exception to the remarks of my right hon. friend. He says that the government sent away these documents; that they were on the government files. I repeat that the Minister of Finance himself stated emphatically that there were not such documents on the files of the department; that he had no knowledge of them whatever; that he never sent them away, nor were they sent away by his authority nor by that of any member of the government. My right hon. friend has said and repeated over and over again statements which are absolutely untrue.

Some hon. MEMBERS: Hear, hear.

Mr. MEIGHEN: Of course, the ruder the language the more the applause. Is the private secretary not now an officer of the Finance department?

Mr. MACKENZIE KING: I understand the gentleman who acted as private secretary for Sir Thomas White is still in the government service.

Mr. MEIGHEN: Is he not an officer of the Finance department?

Mr. MACKENZIE KING: I think he is in the Finance department, but he is in that department in a particular capacity. He is not there as private secretary of Sir Thomas White, nor there to disclose to the department matters which were confidential and which Sir Thomas White in his day regarded as confidential.

Mr. ROBB: I think it is fair to the young man who is now an officer of the department to make this statement, that when the Minister of Finance (Mr. Fielding) learned, through a statement in the press that those documents had disappeared, he called in this young man for an explanation. This young man said that the documents had been left him by Sir Thomas White to be given to his successor; that they had remained there in the pigeonhole; that when he learned that the Home Bank had failed, he called up Sir Henry Drayton and told him that those documents were there, and Sir Henry Drayton told him: "You had better return them to Sir Thomas White."

Mr. MEIGHEN: He has proved what I said.

Some hon. MEMBERS: Oh, oh.

Mr. MEIGHEN: Perhaps hon. gentleman will get through with their laughter after things get a little more serious for them in the investigation. The documents were left to the successor in office. Were they private if they were to be handed to the successor in office?

Mr. MACKENZIE KING: The successor in office was a political and personal friend of Sir Thomas White. That is a very different thing from having the documents on file in the department.

Mr. MEIGHEN: The successor in office was the next Minister of Finance. Sir Thomas White is alleged to have handed to the next Minister of Finance a file which was a private file! Can hon. gentlemen conceive of any greater rubbish than that? I have not seen the gentleman since; I do not remember his name; I have not seen him since to my knowledge; but if he had those documents in his possession and afterwards, being told to deliver them to Sir Henry Drayton, reported to him that they were a private file, no doubt Sir Henry Drayton would so advise him. But a minister does not hand to his successor a private file.

Mr. MACKENZIE KING: Why did Sir Henry Drayton not hand the file to Mr. Fielding?

Mr. MEIGHEN: Because apparently Sir Henry Drayton never got it. Sir Thomas White never intended the documents to be regarded as private.

Mr. MACKENZIE KING: Why did Sir Henry Drayton ask that the documents be sent back to Sir Thomas White? Why did he not ask that they be sent to Mr. Fielding?

Mr. MEIGHEN: Because, I suppose, it was reported to him by the secretary that the file was a private one. But the Acting Minister of Finance (Mr. Robb) distinctly says to-night exactly what Sir Thomas White said, that Sir Thomas White handed them to his successor.

Mr. ROBB: But they were marked "private".

Mr. MEIGHEN: I presume they had been marked "private" all along. Those things are usual; but when they are to be handed to the successor, there is nothing private about them; they become the property of the department. That is all I have been saying right along, and if hon. gentlemen find much cause for either amusement or self-congratulation, while I admit that they are badly in need of it, I can only admire the elasticity with which they spring for it. Now may I ask the Acting Minister of Finance (Mr. Robb): Have they not now copies of all these documents in the department?

Mr. ROBB: We have copies that were discovered in the Home Bank files of certain letters that were sent out. We have not copies of the letters that came down to Sir Thomas White.

Some hon. MEMBERS: Oh, oh.

Mr. MEIGHEN: What does the hon. member (Mr. Rinfret) say? I notice he usually leads the cackling. Now will he tell me what he says? Oh, he will not get up. Well the fact is that to the successor of Sir Thomas White the documents came or should have come—if they did not it was not the fault of Sir Thomas White—and the department well knew that those documents could have been procured by them at any time, and thereupon they could have come to a decision in this matter. Instead, they appoint a commissioner to look over the documents—I presume instead of themselves—and they confine his efforts to investigating what happened in 1916 and the two succeeding years.

Now, Sir Thomas White in the published statement he gave, said that nothing had come to his attention which at all called for investigation under the section referred to in this debate, but that what did come to his attention came there presented by three of the directors. Those directors made certain representations to him. Pursuant to those representations, and with their full concurrence as to the method adopted, he had certain inquiries and investigations made, and the result of those inquiries and investigations was entirely satisfactory to those three directors and accepted by them as satisfactory. Sir Thomas White adds that to have made an external audit, to have sent in representatives from the outside, would in his judgment have precipitated a collapse of the bank. No hon. member would there be in this House at all acquainted with financial matters who would not agree that to take such a step is in itself very serious and likely to do very great injury to the institution under investigation. When that becomes known, to carry on further, even though the other circumstances would warrant it, would probably become impossible.

What I want to impress is this. As to what a minister of finance should do on representations made him, that minister, in association with his colleagues or alone, must decide in the light of the public interest and under the circumstances that surround him at the time. That is his duty, and his duty alone. And I want to know how any judge of the court of New Brunswick or of any other court is going to say now what a minister of finance should have done under the circumstances of five, six or seven years ago. How is he going to put himself in the position that the minister of finance was in then? It cannot be done. He cannot possibly surround himself with the circumstances that then prevailed, nor can he to-day revive the circumstances which surrounded the minister then. He may find out what the position of the bank was at that time. But what were the circumstances that then surrounded the minister? The minister had to decide in the light of the representations made to him, in the light of what he knew of the record of the Home Bank, in the light as well of the circumstances of the hour in Canada, what it was his duty to do. How is a judge of a court now to report upon what the duty of the minister of finance was at that time? This government is in a far better position to decide than any judge. This government knows, or ought to know, something of the duties of a minister of finance. The present minister of finance knows without question, and looking over that record which reflects the whole situation, he is in an infinitely better situation to judge what should have been done than any official of any court in Canada. Consequently I say, keeping in mind the object of the expanded order in council to ascertain whether there is liability, moral or legal, to the Home Bank depositors, the minister of finance, knowing that all is reflected in the documents, is in a far better position to determine than any judge could ever be.

But the motion of the hon. member for East Calgary (Mr. Irvine) goes further. As I read the order in council, while it is wide in its terms, its purpose is very definite. Its purpose was definite from the beginning, and is definite now. Its purpose, as stated in the document, is to inquire into certain things, first a few, now many, but all in order to ascertain what the government should do in relation to the depositors. I do not think any hon. member will say that there is any other object in the investigation. The object, though, of the motion of the hon. member for East Calgary is much wider. He seeks to review the circumstances of the failure for the purpose not only of seeing what ought to be done in relation to the depositors, but as well what ought to be done in relation to the law. Consequently there is an object to be served by such investigation and inquiry that cannot be served by the present one.

Now as to the amendement. I was not in the House when the amendment was moved, but really it is an extraordinary motion, and I hope hon. members will realize its full import—what it entails if it is going to carry. I do not think any hon. member imagines that this amendment means other than another evasion. It reads:

> That in the opinion of this House, in view of the failure of the Home Bank and of the fact that official prosecutions and inquiries have been instituted, including the royal commission which has been appointed to investigate the facts alleged in the petition representing all the shareholders of the bank and the affairs of the bank generally, and considering that the evidence received and to be taken before the several tribunals will be available for consideration, the Select Standing Committee on Banking and Commerce should be instructed to consider the provisions of the Bank Act with a view to recommending such amendments to the act as will better protect the interests of the depositors generally and will prevent simlar occurrences in the future; and also to consider the report of the royal commission in its bearing upon these matters and with respect to the possiblity of saving the Home Bank depositors from loss.

Put succinctly, is it not this? That the committee on Banking and Commerce shall not hear evidence, but shall consider the report of this royal commission—when it comes; shall consider as well the evidence in the prosecutions and inquiries that have been instituted; and upon that evidence and upon

the report of this commissioner shall then make recommendations to protect the interests of depositors generally and to prevent further occurrences in the future, and also with respect to the possibility of saving the Home Bank depositors.

Well, nothing apparently is going to be done by the committee on Banking and Commerce, nothing can be done until the prosecutions and appeals are over, until the other inquiries referred to, whatever they are, which have been instituted, are over too, and until, as well, this commissioner gets through the investigation of the whole history of the bank back to 1903 for his purpose of deciding what should be done about the depositors; when all these things are over they are, I presume, going to review the reports and make recommendations to this House. Well, that simply means—one can hardly tell what it means, but it certainly does mean that nothing will be done this session; it means another shelving. Hon. members talk about investigations; it means piling on top of the investigations, already so numerous, according to the Minister of Defence, still another. It will be a case of waiting until all these investigations are over and then having the Banking and Commerce committee review the matter again. Is that going to be satisfactory to the depositors? Is that going to meet the general demand of the country? Is that going to meet the demand for an answer to the question, has there been negligence; has there been malfeasance; has there been neglect of duty; has there been anything to justify or compel a recoupment of the depositors? I do not think it will, but that is the position the government takes. I protest against this continual postponement of responsibility. If the government is not able to meet its responsibility let the government get out and give place to some other which will meet responsibility. Now, the Minister of Railways (Mr. Graham), smiles, and sometimes as I look across the floor of the House I really think he would like to do that.

Mr. GRAHAM: I do not see the more responsible man to take the job.

Mr. MEIGHEN: Well, I can see some who have some notion of responsibility, and that this government has not. The art of government, to this administration, consists in taking the most circuitous and long-winded route by way of evading every responsibility they confront. That seems to be what they keep themselves in office for.

There was an investigation by commission in the case of the Farmers' Bank, and why? I remember it; it was some years ago, I do not say I remember it with absolute accuracy. But in that case there was a division of statement as respects certain representations made that were not in writing, as respects certain warnings given to the then minister of finance in relation to the issue of the charter of that bank, and which could only have been made clear and only have been established by something in the nature of a judicial investigation. So far as I can recall, no committee investigation was asked for; I do not think there was any asked for and denied. Here, though, the investigation looks to one object and one alone, an object much narrower than that in the mind of the hon. member, an object that will be defeated if the commission alone is relied on and an object that will be indefinitely postponed if the amendment is adopted. I desire to move the adjournment of the debate.

Some hon. MEMBERS: No.

Mr. MACKENZIE KING: I think that practically all hon. members who desire to speak on this motion have done so, and I do not see why we should not conclude the debate this evening.

Mr. MEIGHEN: I understood from the whip that the adjournment was to be moved at any time after eleven. Perhaps I am misinformed.

Mr. MACKENZIE KING: I think it is the wish of the House to conclude the debate to-night.

Mr. MEIGHEN: Will the Chief Government Whip say that I am misinformed?

Mr. KYTE: No; I said that if a motion was made to adjourn the Prime Minister would express a desire to conclude the debate, but he would leave it to the sense of the House.

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

Some hon. MEMBERS: No.

Some hon. MEMBERS: Carried.

Motion (Mr. Meighen) negatived.

Mr. MACKENZIE KING: Is my right hon. friend through speaking?

Mr. MEIGHEN: Yes, if I cannot get an adjournment. I wished to bring some other matter into the debate in relation to this correspondence, and I understood definitely from the whip that a motion for adjournment would be accepted at any time after eleven. If I am wrongly informed I have no right to go on, and I yield.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I desire to occupy the time of the House just for a moment. In view of what the right hon. leader of the opposition, (Mr. Meighen) has said one or two remarks on my part may not be out of place before the debate concludes.

In the first place it is desirable that the House should understand just how the government came to take the course it did in this matter. The matter came to the government's attention officially through a deputation representative of the depositors of the Home Bank. The depositors are the persons most interested in this matter; indeed, the House is debating the subject because the House realizes that a very large number of men and women in this country have lost sums of money and have endured great hardship as a result of the failure of this bank. They feel, and I think rightly feel, that it has been through no fault of theirs that the bank has failed; they wish if possible to have their losses recouped, and they have asked the government whether it would consider the recouping of those losses. It is from the point of view of the depositors and from the desire of the government to consider their wishes and to see that their representations are fully considered by parliament, that we are discussing the matter at all. It was the depositors we were considering; that being the case we acted upon the representations made by the depositors themselves.

I was amazed to hear the ex-Minister of Finance (Sir Henry Drayton) say that the depositors had framed their resolution at the instance of one who was a political friend of the government. His insinuation, if not, indeed, his direct statement, was to the effect that there was some arrangement between the government and the solicitor in virtue of which representations were made in this manner; that, in other words, there were political considerations at the bottom of the representations that were made. I am sorry that the ex-Minister of Finance is not in his seat; I should like to tell him that his remarks in that connection were unprofessional, were unparliamentary, and certainly unworthy of himself. He referred to Mr. Lee who was one of the counsel for the depositors. Mr. Lee is a gentleman of high professional standing, a gentleman whose sense of honour is as high as that of any honourable member of this parliament, and I think it ill becomes an ex-minister of the Crown and a member of parliament, under the privilege of parliament which shields him but which does not permit of any reply to his remarks being made on the floor of the House by the person attacked, to direct an insinuation or to make a charge of that character against a member of the legal profession in high standing. I would like to point out that Mr. Lee was not the only gentleman who came before the government representing the depositors in this matter. The deputation which appeared before the government, and which, I may say, was received by all members of the government, came to Ottawa on January 23. Mr. Lee was one of the speakers on that occasion, but other members of the legal profession and members of other professions also spoke and presented the case of the depositors to the government. Mr. R. J. McLauchlin, K.C., of Toronto, spoke on behalf of the depositors and made representations to the government in this matter. Will the hon. member for West York say that Mr. McLauchlin was speaking as a Liberal or was acting other than as a true counsel for those whom he was representing. Mr. J. F. Edgar, K.C., also spoke on behalf of the depositors, as did Mr. V. D. Sinclair, K.C., Mr. I. E. Weldon, Mr. Kernahan, and the Rev. Dr. Tracy. All these gentlemen presented the petition of the depositors to the government. If the charge made by my hon. friend has any foundation, then it must apply to all these gentlemen. But more than that, two hon. members sitting behind my right hon. friend on the other side, members of the Conservative party—the member for Leeds (Mr. Stewart), who is in his seat at the moment, and the member for West Elgin (Mr. McKillop) were also members of that deputation. Will my hon. friends say there was a conspiracy between the government and these gentlemen to play politics in this matter?

Mr. STEWART (Leeds): Mr. Speaker, I wish to correct the Prime Minister. I did not attend on any such deputation in connection with the Home Bank. I was not here at all on that occasion.

Mr. MACKENZIE KING: My hon. friend is right. I should not have said the hon. member for Leeds but the hon. member for Hamilton (Mr. Stewart). There are two Mr. Stewarts in the House from Ontario. The hon. member for West Elgin (Mr. McKillop) also appeared with the delegation. I do not think I need to labour that point, however. It will be apparent to hon. members of the House that the gentlemen who presented this petition to the government were all trusted counsel and representatives of the depositors. They came with a written petition, a petition not addressed to any individual member of the government, but adressed to His Excellency The Right Honourable Lord Byng of Vimy,

Governor General in Council, of the Dominion of Canada. That was the form in which their petition was presented, carefully drafted and signed by twenty or more persons acting on behalf of the depositors.

In the petition which was presented to the government there were certain charges, direct or indirect, against former ministers of the Crown. My hon. friend, the leader of the opposition, says that the government could have taken upon itself to pass judgment upon these former ministers.

Mr. MEIGHEN: Will the Prime Minister tell us what charges were made against the ministers of the Crown? Read them from the document.

Mr. MACKENZIE KING: Perhaps I cannot do better than quote the words of the petition. Clause 2 reads:

(2) The said bank was a chartered bank doing business under the provisions of the Bank Act. Your petitioners are informed and believe that in the year 1915 and again in 1916 and in 1918 representations were made to the Department of Finance of the Dominion of Canada respecting the condition of the Home Bank of Canada and revealing a state of affairs that would have justified an investigation by the Department of Finance under the powers conferred upon the Minister of Finance under Section 56a of the Bank Act, whereby he was authorized to examine and enquire specially into any of the affairs or business of the bank.

(3) Your petitioners realize the seriousness of such action on the part of the Minister of Finance, and that the mere fact of causing an audit to be made might in itself bring about the failure of the said bank.

(4) Your petitioners are also aware that at the time such representations and disclosures were made, the country was at war and that the Minister of Finance, having regard to the public interest, was unwilling to precipitate a bank failure or crisis, or in any way disturb the financial condition of the country, and that for such reason and on other good and sufficient public grounds, may not have deemed it advisable to exercise the power above referred to.

(5) If such audit had been made your petitioners believe that the condition of the bank would have been shown to be such that its continuance in business could not have been further permitted.

(6) Your petitioners believe that if the said bank had ceased doing business at the time the said disclosures were made the then existing assets would have been almost, if not quite sufficient to meet all claims of creditors, whereas, by reason of the bank continuing in business until the 17th day of August, 1923, and greatly increasing the amount of money belonging to the public on deposit, and at the same time permittng the assets of the said bank to be greatly diminished in proportion to the amount of the deposits the present depositors have suffered and will unless relief is granted, suffer a very severe loss.

(7) Your petitioners submit that the reasons an audit was not made of the said bank, in accordance with the powers vested in the Minister of Finance, were reasons of a public and national character, and intended for the benefit of the public at large, and that therefore the loss to the present depositors occasioned by the bank being permitted to continue to do business should be borne by the public at large and not by the present depositors.

(8) The said bank and its predecessors, The Toronto Savings Bank and the Home Savings and Loan Company had for over fifty years been regarded as a safe depository for the savings of the public and the class of people who deposited their money in the said bank was largely composed of wage-earners with small earnings and their deposits consisted in many cases of the whole savings of a life-time.

(9) Your petitioners submit that the confidence of the simple people throughout Canada in the banking institutions of the country is of the very greatest importance to the industrial and commercial interests of the country and that the lack of such confidence would have a serious and detrimental effect on the whole industrial and commercial prosperity of the country.

(10) Your petitioners therefore submit that whether rightly or wrongly the depositors of the Home Bank of Canada were largely of the opinion that the Finance Department of the Government of Canada exercised such supervision over chartered banks that it was impossible for depositors to lose their savings entrusted to such a bank the charter of which had been renewed from time to time by parliament and it is further submitted that the confidence of the people as a whole would be greatly restored if adequate relief were granted to these depositors.

Wherefore your petitioners pray that your Excellency be pleased to submit to Parliament an Act for the full indemnity of the depositors of the Home Bank of Canada against any loss suffered by reason of the failure of the said bank.

Mr. MEIGHEN: Is a charge that a man acts in the public interest a charge against him?

Mr. MACKENZIE KING: I remarked, Mr. Speaker, that at the time of the presentation of this petition there were several gentlemen who spoke to it, and as I listened to the petition being read it seemed to my mind to carry the implication that the Minister of Finance of that day for some reason or another had not carried out what he should have carried out by way of investigation in accordance with the law existing at the time. The elaboration of their remarks caused me to ask of the deputation at the time, on what ground they were asking the government to indemnify the depositors for their losses. I pointed out to them that they had really presented what seemed to me to be two diametrically opposite points of view. One was that the minister of finance of the day had taken the course that he did for public reasons, that he had not complied with the act in some part for public reasons. Another view was that he had taken the course he did because of some neglect or oversight, that he had shifted his responsibility on to some other person. He had made casual inquiries, and had referred the matter to the late Mr. Lash, I think it was, of Toronto, and that he had not gone into the matter as fully as he should have done so I asked the deputation at the time: On what ground are

you basing your claim? Is it on the ground of neglect on the part of the Minister of Finance of the day to do his duty, or is it on the ground of his having failed, because of some public reason, to do a certain thing which the law requires? And the answer I received was that in a court of law it was permissible to plead alternatives, and that they were there for the purpose of presenting both points of view. I contend, Mr. Speaker, that using the word "charge" in the sense I meant it, namely, a reflection on the Minister of Finance, is the essence of the ground upon which the appeal is being made to the government. The whole ground upon which the depositors have asked the government to see they are indemnified in this matter is that of a certain neglect of duty or failure to perform duty for a public reason or for some other reason, on the part of a previous minister of finance. That is the ground.

Now if this government were to attempt to pass upon that, what would be said? We are being asked to-night not to treat this question in a political, partisan fashion. But were we to say that Sir Thomas White had not done his duty, and to ask this country to pay so many millions of dollars to the depositors because a previous minister of finance had not done his duty while he was in office, what would be said about this administration? From one end of the country to the other it would be heralded abroad that the government had taken advantage of a political opponent, and out of the public treasury had spent this vast sum of money in order to secure political advantage. If in any way this government were to attempt to pass judgment on any of its predecessors in office who were of a different political party, it would be said that our reason for doing so was because we saw in it a political advantage. That is the one thing, Mr. Speaker, we desire the people of this country to know we are not seeking. We wish no political advantage in this matter. We want this question removed from the realm of politics altogether. We want fair play and justice done in this matter in as fair a way as justice can possibly be done.

The question then presented itself, how was an investigation to be made? My right hon. friend the leader of the opposition has spoken about the government having responsibility. He is sometimes fond of asserting that he himself has responsibility, and will carry it out. Hon. gentlemen opposite of the Progressive group, or rather, my hon. friend from East Calgary (Mr. Irvine) representing, I think, in part those who sit in the Progressive group, has brought forward a resolution in this House. One of the members of the Liberal party, on this side, has moved an amendment. The government will accept that amendment in full. We will take that responsibility. Now will my right hon. friend and some of his friends show where they stand by moving an amendment to the amendment? We have made our position clear. All hon. members in the House, with the exception of my right hon. friend, and his supporters, have made their position clear. My right hon. friend is the only leader of a party who is not prepared to stand up and say whether he would or would not settle this matter on some particular line. We have taken a position. We realized that an investigation was necessary, and I contend, Mr. Speaker, that, without investigation, the public of this country would never have sanctioned for one minute action on the part of the government in this matter. It is unthinkable that, without any investigation, the government of to-day on the representations of depositors alone, with reference to a matter which took place some years ago, would ask parliament to vote so many millions of dollars out of the public treasury to indemnify depositors for their losses. An investigation is absolutely necessary in this matter. Now an investigation could be of one form or another. We could either have had a parliamentary investigation—could have had this matter referred to a special committee of parliament—or a judicial investigation. Those are the alternatives. Assuming that we had adopted the plan of having a parliamentary investigation, assuming that when parliament met we had said "We have decided to refer this matter to a committee of parliament, to a special committee, my right hon. friend, the leader of the opposition, would hardly have waited to draw a breath until he would have jumped to his feet and declared "The government has a majority on that committee and is doing what it likes in the matter." We realized the tactics of my right hon. friend, we realized the attitude that parliament would have a perfect right to take towards any action of that kind, we surrounded this matter with the greatest care and caution—

Mr. MEIGHEN: The Prime Minister will permit me to say, in view of the fact that I have already spoken, that he has no right to misrepresent me. I did not say that the government should have referred the matter to investigation by committee. When I spoke I said the government had the facts

before it, or should have had, and could have decided the matter on these facts.

Mr. MACKENZIE KING: I did not say my right hon. friend stated we should have referred it to a committee. What I said, and what I repeat, is that if the government had taken the course of referring this question to a special committee of parliament my right hon. friend would have been the first to condemn us for having done that, and he would have condemned us on the ground of our adopting a partisan course, of making a political matter of this very serious question. My right hon. friend knows it and will not deny it.

Mr. MEIGHEN: I never said such a thing.

Mr. MACKENZIE KING: I know.

Mr. MEIGHEN: Then what statement of mine are you answering?

Mr. MACKENZIE KING: My right hon. friend admits we have taken the right course—

Mr. MEIGHEN: Oh, no.

Mr. MACKENZIE KING: —in having a judicial inquiry instead of a parliamentary inquiry. When it came to the matter of a judicial inquiry the government was anxious that whoever was chosen should be chosen from another part of the Dominion. I mean from a part of Canada that was not immediately interested in this matter. Many names naturally presented themselves to the government when we were selecting a commissioner. We might have taken a commissioner from Montreal, Toronto, or from Winnipeg or elsewhere. As my hon. friend from East Calgary (Mr. Irvine) mentioned this afternoon, this failure affected people from the province of Quebec out to the Rocky mountains but it did not affect, I think, any persons from the Maritime provinces. It was for that reason the government went to the Maritime provinces and chose as commissioner to investigate this matter, the chief justice of one of the courts, who as commissioner receives no salary for the services he is rendering. The government's whole course was taken with a view of inspiring confidence on the part of the members of this House, on the part of the public, and particularly on the part of the depositors who are most affected.

Now, as to the matter of the correspondence, to which my right hon. friend has referred, let me repeat that the communication spoken of that was in the possession of Sir Thomas White and was passed on by him to Sir Henry Drayton was, so far as the government has any knowledge of it at all, a private document in the possession of these ministers or their private secretaries. Let me direct the attention of the House to this circumstance: The gentleman who was secretary to Sir Thomas White was also the private secretary to his successor, Sir Henry Drayton, when the latter became Minister of Finance. The same gentleman was secretary to both. Sir Thomas White when he left the Finance department gave certain instructions to his secretary, left certain papers with him, told him that some of these papers were to be given to Sir Henry Drayton.

Mr. MEIGHEN: No not "some," all of them.

Mr. MACKENZIE KING: My right hon. friend says all of them were to be given. Very well, "all of them." Then if they were to be given as public documents to Sir Henry Drayton I submit, Mr. Speaker, that it was equally the duty of Sir Henry Drayton to give instruction that these papers be put in the possession of the Minister of Finance who succeeded him. My right hon. friend will recall that when he left office he had a private secretary or a couple of private secretaries; that when he left the position which he formerly held he took with him a large part of the correspondence of the office of Prime Minister, and it was quite right that he should. Some of it he subsequently returned, some of it could not be found anywhere and on this account I asked if I could not obtain it and he had it sent over to me a week or two later by the private secretary who had it. That was perfectly proper and perfectly right, but would I have thought of going to the secretary of my right hon. friend and saying to him "I want you to tell me about all the papers that were in Mr. Meighen's possession. I want you to give me his private papers, the documents that he has left with you." Had I done that I should have felt that I was taking an extraordinary course, and I should think no person who had been secretary to a minister who would be prepared to hand over documents to his successor without instructions, would be worthy of a position of confidence in the government service.

Mr. MEIGHEN: The Prime Minister forgets that the secretary was instructed to hand them to the minister's successor.

Mr. MACKENZIE KING: He has not forgotten anything. My right hon. friend

says he was instructed to hand them to the minister to whom he was going to be private secretary?

Mr. MEIGHEN: Yes.

Mr. MACKENZIE KING: Who was Sir Henry Drayton, a political and personal friend of Sir Thomas White. If that was the right course of procedure, if that was a duty performed at the time, then I say the duty equally devolved on Sir Henry Drayton to see that these documents were put in the possession of Mr. Fielding which they were not.

Mr. MEIGHEN: If Sir Henry Drayton got them. I do not know that he did get them.

Mr. MACKENZIE KING: My right hon. friend says he does not know whether he got them. Then how could he expect that the subsequent Minister of Finance (Mr. Fielding), would ever get them? The whole object my hon. friend has in mind is perfectly apparent. However, the point is a small one, I do not think it need be stressed. There is one circumstance, however, I would like to bring to the attention of the House: The administration is convinced of the necessity of having an investigation into this matter. We want the public to know the truth about these papers. Unfortunately the Minister of Finance, through illness, is unable to be in his seat. He told me in his own room, and I talked with him at his bedside, that he had no knowledge whatever that any of these papers were in existence until after he read about them in the press and discovered that there were some documents which he had not seen and has not seen yet.

Mr. MEIGHEN: Was that not long before the investigation was ordered. Why were not the documents requested if the government had not copies, and the facts gone into by the government?

Mr. MACKENZIE KING: I have already answered my right hon. friend as to why the government did not go into the facts. Supposing the government had started to investigate Sir Thomas White's doings and the doings of the hon. member for West York (Sir Henry Drayton) what would have been said of its method of procedure? We have taken the proper course. We have appointed a commissioner before whom all parties can appear, and before whom all parties will be made to appear and give evidence in this matter.

Now, Mr. Speaker, so as not to take up too much time of the House let me conclude briefly with a statement of the further action of the government. When the petition was presented in the form in which it was presented, by all the persons whose names I have mentioned, drawn up with the great care and great skill with which it was drawn up, the government assumed that it would be impossible to present a case to any tribunal for the depositors in a stronger or more effective form than that in which the depositors themselves thought best to present it to the government. And so we decided to use the language of the petition, not with a view to directing any investigation against Sir Thomas White, not with a view to inquiring into the acts of our predecessors, but that by taking only what was put before us by the depositors we might be removed from any criticism of any kind. We took their language, their words and their documents, and made them the basis of the investigation. The period mentioned in the document that was presented to us included certain years, and those years were mentioned in the order in council just as they were presented in the document; but when it was suggested to us the period should be extended, as soon as representations were made on that score, we immediately amended the order in council and had the inquiry carried on to the time the bank closed its doors. I submit it would be impossible to have a representation presented in a fuller, clearer, more unbiased, and unprejudiced manner than that. Let me recall a remark of the ex-Minister of Finance (Sir Henry Drayton). He asked, why did the government not refer the representations that were made to it before the bank closed? For the life of me I could not make out what representations he had reference to. I do not know what representations were made, unless it was possibly one or two gentlemen coming and asking the government if they would not help to save the situation the day before the closing of the bank.

Mr. MEIGHEN: Did the hon. minister say these gentlemen came just before the bank closed?

Mr. MACKENZIE KING: My impression is yes. The only recollecion I have of any deputation is a deputation that came late one evening to ask if the government would make some huge deposit, in order to meet the situation for the next day, and I myself declined to entertain a thought of the kind. My recollection is that we were told the bank

would fail if that were not done, and I think it was the day following, or two days after, that the bank closed its doors.

Mr. MEIGHEN: Would the hon. Prime Minister tell us who the gentlemen were?

Mr. MACKENZIE KING: I will be prepared to make a statement as to who they were, every one of them, but I think the proper place is before the royal commission appointed to look into the matter. They were representatives of the bank. I will give the names to the commission when it is taking evidence on the matter. The point I want to direct attention to is that the order which the government drafted covers this very point. Let me read one clause of it—

> 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.

Then listen to this—

> Including any representations made to the government of the day.

Does that not include everything? Does that not include the representations of anyone who ever spoke to the government or made any reports to them from the day the bank opened its doors to the day they were closed. The government's order in council says:

> Any representations made to the government of the day as to its conditons, any action taken by any 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 say it is not possible to put into the English language words more comprehensive and words more inclusive than the words used there, but I say if it is possible, if any hon. member will point them out to the government, I will try to have them inserted in another order in council, if that is necessary for the purpose. I cannot make it too plain that the government wants this matter investigated from beginning to end, and every feature and aspect of it investigated, and if there is anything that is material which is not covered by the order in council, we are prepared to see that those matters are inquired into. If the government has not sought to go back to the days when banking began in Canada, it is because the government has been seeking to confine its inquiry within limits that will make it possible for this parliament to deal with this matter at this session. It is not the government that has been delaying the inquiry or causing it to be prolonged. We brought down the order in council couched in the words of the depositors, who are the people most interested. We took it in their own language and did not deduct from it or add to it, for the reason that we were anxious to see that their wishes in the matter were met. But hon. members of the House were the ones who raised the point that we had not carried the investigation down far enough. They and others asked that we should supplement it, and we added to it, and now the ex-Minister of Finance (Sir Henry Drayton) says we should go further and that we should not be content to have the inquiry from the day the bank started business to the day it closed. He blames us because we have not given authority to examine conditions which in the first instance led to the establishment of the bank. I think, after all we have heard to-day, that as a government we would perhaps be wise if we confined this investigation to what we have already set out in the orders here. But let me say this: That rather than be under a suspicion that there is anything in the matter that we are seeking to conceal, I am agreeable that the commission shall inquire into what took place before the bank was instituted, when the bank was instituted, and after it was instituted, and any period that any hon. member of the House can suggest to the commission. I do not think it can be made broader or more comprehensive than that.

Let me come to the amendment of my hon. friend from Pontiac (Mr. Cahill). As I read this amendment, it clearly has one object above every other object in view. My hon. friend wants immediate action, just as the hon. member (Mr. Irvine) who moved the resolution wants immediate action. They do not want to wait until the commission has completed its inquiry to have the matter looked into. They want to go to work at once with a parliamentary committee. We are prepared to say that that part of the matter which it seems wise and expedient should go in the first instance to such a committee, shall go to a parliamentary committee. We do not think it is wise or right or proper to put those who are our political opponents in judgment before a parliamentary committee. We do not think that is a proper way of proceeding. But with respect to such matters as those which affect the Bank Act, the possibility of amending it, or as to anything growing out of investigation which will help to show wherein the Bank Act can be amended to the benefit of depositors, and to the saving

of similar situations in the future, we not only agree but will welcome any suggestion that may be made in that connection; and for that reason we are only too glad to accept the amendment which has been moved—and which I think my hon. friend from East Calgary (Mr. Irvine) will feel is very much akin to his own motion, if not largely in the identical words of it—to refer such matters to the committee on Banking. The right committee to which to refer these matters is the Banking committee. Now what does the amendment say? It does not say we are to leave these matters until the commission has made its report. The amendment says:

In the opinion of this House, in view of the failure of the Home Bank and of the fact that official prosecutions and inquiries have been instituted, including a royal commission which has been appointed to investigate the facts alleged in the petition representing all the shareholders of the bank—

I would like to direct the attention of my hon. friend to the fact that I think he meant "depositors" when he used the word "shareholders".

—and the affairs of the bank generally, and considering that the evidence received and to be taken before the several tribunals will be available for consideration, the Select Standing Committee on Banking and Commerce should be instructed to consider the provisions of the Bank Act with a view to recommending such amendments to the Bank Act as will better protect the interests of depositors generally and will prevent similar occurrences in the future, and also to consider the report of the Royal Commission in its bearing upon these matters and with respect to the possibility of saving the Home Bank depositors from loss.

In other words, there are, in connection with this matter of the failure of the Home Bank four or five public investigations proceeding at the present time and every one of these investigations will throw some light on this bank failure and its causes as well as consequences and will reveal some aspect, some important question in connection with it. There are the prosecutions against all the directors and certain officers of the Home Bank, conducted by the Attorney General of Ontario under the Bank Act and the Criminal Code. As soon as those prosecutions are gone on with, that matter will be available. If they are delayed, that need not delay this committee; there will be other matters to consider. There is an investigation by a special auditor appointed by the Minister of Finance (Mr. Fielding), to report to the Minister as to the condition under which the business of the bank has been carried on since opening its doors as a chartered bank. This is being done under existing legislation. This report, as soon as it is made to the Acting Minister of Finance, will be available, and I imagine that it will not be very long in being made. Then the liquidators appointed by the courts to take charge of the affairs of the bank are going into these matters and making reports. The evidence and material coming before them will all be available for the Banking committee in considering this matter.

Finally, the government has appointed this royal commission which will begin its sittings immediately; some of these sittings will be held at Ottawa, some at Toronto and elsewhere. The proceedings of this commission will be reported from day to day, and they can be taken to the committee from day to day. The committee need not wait until the commission has made its final report to have matters brought out. If hon. members are interested in some particular phase of the question, they can appear before the commissioner at Ottawa, while he is here, and have such matters brought out. With all these investigations proceeding, I submit that it is not possible to conceive of any manner in which a committee could be supplied more effectively with all relevant and pertinent facts.

Mr. GOOD: How far will the committee be restricted in the matter of calling and hearing witnesses?

Mr. MACKENZIE KING: I think that is a matter entirely for the committee to decide for itself. I could not say as to the question of restriction; but I assume the Banking committee has pretty large powers, and it will be free to exercise them in a matter of this kind.

The point that I wish to make in addition to what I have said is this: The government has gone even further; it has said that the report of the commissioner can also be placed before the committee on banking. The government might very well have said: "No, we will not do that; we will take this report and handle it ourselves." We have not taken that position; we have said: "We want this House of Commons as a whole, the different groups in it, to have a voice in this matter, and therefore we are prepared, in accepting the amendment of my hon. friend, to permit this report of the commissioner to go before the committee." For what reason? In order that the report of the royal commission, in its bearing on these matters, that is to say matters affecting the amendment of the Bank Act and with respect to the possibility of saving the Home Bank depositors from loss, may be considered by the committee. This may take a little time, but this is a big and

important matter. Not only is this a matter that involves the vast sums of money which it does, but there is a very important precedent being considered. There are far-reaching questions involved in any action that the government may take, questions affecting not only the future, but the past. I have a list somewhere of the different banks that have failed since confederation. One question that will have to be considered in regard to this matter is this: If the depositors of the Home Bank are to be indemnified, what about the depositors of other banks that have failed in Canada? Are they not also to be indemnified, or are there special reasons in this case, reasons which single it out from other cases of bank failures? Are there in this case considerations which do not apply elsewhere, but which impose a special obligation on the government and the country to meet these particular losses? Those are big questions. They cannot be dealt with quickly, hurriedly; they can be dealt with effectively only by their being gone into carefully and fully. In agreeing to the amendment which my hon. friend has moved, we have taken the course of expressing our hope that parliament will see its way to adopt that full and thorough method of investigating the question. In the last analysis, the committee has to report to parliament, and the government has to take its responsibility. We are prepared to take our responsibility. If the committee recommends a certain course, we have to do one of two things, either accept that course, or reject it, and we are prepared to accept it or reject it, but not to do so in the dark. We want to know all the facts and circumstances bearing on this case, and when we have the facts and circumstances, in the light of them, in the light of the best judgment that can be brought to bear from the point of view of the different inquiries that I have mentioned, from the point of view of the members of the committee, the judgment of hon. members of this House—when we have that before us, then we will take our responsibility, and I can assure the House that we will take it, I believe, in accordance with what will be the wish and expectation of the people of this country.

Mr. IRVINE: Mr. Speaker, the resolution has been pretty thoroughly discussed, and I want to offer just a thought or two on the amendment. I do not wish to prolong my remarks unduly, because I do not think there is anything very much more of value that I have to offer. Let me first of all point out that I think the hon. member for West York (Sir Henry Drayton) made the only attack on my speech that has been made by any hon. member. I am sorry that he is not in his seat now, but I think his attack was a little unfair. I think he misrepresented my statement when he said that I had argued that because one bank had failed that proved that all banks were going to fail. I did not argue that. Then the hon. member made a definite charge that I was wrong in my estimate of the assets of the bank over its liabilities. I have laid claim to many things, but I have never laid claim to infallibility. It is just possible that I was wrong, but I am not wrong merely because the hon. member for West York says so. He offered no arguments or facts or figures to prove that I was wrong, and I do not accept his statement in that regard, neither do I think the House will accept it. When I challenge the statement of the hon. member for West York as definitely as he has challenged mine, I shall have more to put forward than a challenge; I shall have the facts to put forward as well.

The Minister of National Defence (Mr. Macdonald) has explained the position of the government; he has given us a history of the whole movement towards investigation; he has referred to the deputation from the Home Bank depositors; he has pointed out the situation which practically compelled the government to take some action and to take action along the lines of a royal commission.

As I pointed out in my first speech, the position of the government is a difficult one in dealing with this matter, and I certainly wish to do all in my power—and I believe hon. members will concur with me in this—that we all wish to help to the best of our ability to bring this matter to a successful issue. I have no politics, Mr. Speaker, of the popular type. I do not know whether that is a matter of shame or pride. But some portions of the debate have verged sometimes on the acrimonious and have dealt with matters that, I think, might have been left to the royal commission and so have saved a good deal of debate. I am bound to say, as a new inexperienced member, that in listening to the debate I felt sometimes a little uncertain as to what confidence to place in the government and in the amendment. When the hon. member for Pontiac (Mr. Cahill) moved his amendment, I felt that in it were the principles that I had contended for in my resolution. When I heard the right hon. leader of the opposition (Mr. Meighen), who is an experienced parliamentarian and has an undoubted gift and

power of analysis, I began to wonder whether the hon. member for Pontiac was not trying, as we say in popular parlance to "put one over on me." Now, however, I do not think the government is doing so. I think it is unfortunate that such an opinion should be created by the discussion. I am going to take the government's word. I am going to assume that the amendment is sincerely moved and that the government in accepting it is going to do its best to carry out the spirit of the amendment. I hope that hon. members to my right will concur with me in taking this attitude. Surely the government will not, after we have placed such confidence in it, attempt to play fast and loose with its word. I would take the same position with the right hon. leader of the opposition. I would be prepared to give him all the advantages in this regard, and I trust that he will extend the same to me when the Labour party comes to power in this Dominion.

Now, Mr. Speaker, after having heard the declaration of the Prime Minister that we will be allowed to at once proceed to action, and after having been assured that we will receive the evidence as it is adduced before the royal commission from time to time, and be in a position to deliberate thereon, I see no reason why I should not accept the amendment and withdraw my resolution, with the consent of the House, for, after all, what I was trying to get was action. I do not want any more investigation than is necessary. I think we can get action in this committee, and in that way co-operate wth the royal commission that will furnish us with the requisite information.

Mr. SPEAKER: The question is on the amendment moved by the hon. member for Pontiac (Mr. Cahill) and seconded by the hon. member for North Essex (Mr. Healy):

That in the opinion of this House, in view of the failure of the Home Bank and of the fact that official prosecutions and inquiries have been instituted, including the royal commission which has been appointed to investigate the facts alleged in the petition represented by the shareholders of the bank and the affairs of the bank generally, and considering that the evidence received and to be taken before the several tribunals will be available for consideration, the Select Standing Committee on Banking and Commerce should be instructed to consider the provisions of the Bank Act with a view to recommending such amendments to the Act as will better protect the interests of the depositors generally and will prevent similar occurrences in the future; and also to consider the report of the royal commission in its bearing upon these matters and with respect to the possibility of saving the Home Bank depositors from loss.

By unanimous consent shall I substitute the word "depositors" for the word "shareholders."

Some hon. MEMBERS: Carried.

[Mr. Irvine.]

Mr. SPEAKER: The question is on the amendment. The House must pass judgment on the amendment before the hon. member who moved the motion can have leave to withdraw the motion. That is in accordance with rule 324 of Beauchesne's Parliamentary Rules and Forms.

The House divided on the amendment (Mr. Cahill) which was agreed to on the following division:

YEAS

Messrs.

Archambault,	Kelly,
Bancroft,	Kellner,
Beaubien,	Kennedy (Edmonton),
Béland,	Kennedy (Glengarry & Stormont),
Benoit,	Kennedy (Port Arthur & Kenora),
Binette,	King (Huron),
Bird,	King (Kootenay),
Black (Huron),	King, Mackenzie (York),
Boucher,	Knox,
Brethen,	Kyte,
Brown,	Lanctôt,
Bureau,	Lapointe,
Cahill,	Lavigueur,
Caldwell,	Lewis,
Campbell,	Logan,
Cardin,	Lovett,
Carmichael,	Lovie,
Carroll,	Lucas,
Carruthers,	Macdonald (Pictou),
Casgrain,	Macphail,
Chevrier,	McBride,
Coote,	McConica,
Copp,	McDonald (Timiskaming),
d'Anjou,	McGiverin,
Davies,	McIsaac,
Déchêne,	McKay,
Delisle,	McMaster,
Denis (St. Denis),	McTaggart,
Descoteaux,	Malcolm,
Deslauriers,	Mercier,
Drummond,	Michaud,
Duff,	Millar,
Elliott (Dundas),	Milne,
Elliott (Waterloo),	Morin,
Ethier,	Morrison,
Evans,	Motherwell,
Findlay,	Munro,
Finn,	Neill,
Fontaine,	Pelletier,
Forke,	Prevost,
Forrester,	Pritchard,
Fortier,	Putnam,
Fournier,	Raymond,
Gardiner,	Reed,
Garland (Bow River),	Rhéaume,
Gendron,	Rinfret,
Good,	Robichaud,
Gould,	Robitaille,
Graham,	Ross (Simcoe),
Halbert,	St. Père,
Hammell,	Sales,
Hatfield,	Savard,
Healy,	Séguin,
Hodgins,	Sexsmith,
Hoey,	Shaw,
Hopkins,	Sinclair (Oxford),
Irvine,	Sinclair (Queens, P.E.I.),
Jacobs,	Speakman,
Jelliff,	Spencer,
Johnston,	
Kay,	

Steedsman,	Wallace,
Stewart (Argenteuil),	Walsh,
Stewart (Humboldt),	Ward,
Stork,	Warner,
Thurston,	Woods,
Tobin,	Woodsworth.—133.
Vien,	

NAYS

Messrs.

Anderson,	McQuarrie,
Baxter,	Manion,
Black (Yukon),	Maybee,
Bowen,	Meighen,
Doucet,	Ross (Kingston),
Duncan,	Senn,
Garland (Carleton),	Sheard,
Grimmer,	Simpson,
Hanson,	Spence,
Hocken,	Stewart (Leeds),
Hubbs,	Tolmie,
MacKelvie,	White,
MacLaren,	Wilson.—27.
McKillop,	

PAIRS

(The list of Pairs is furnished by the Chief Whips.)

Messrs.

Power,	Mewburn,
Fielding,	Boys,
Gordon,	Ryckman,
Robb,	Stevens,
Rankin,	Guthrie,
Clifford,	Stansell,
Low,	Preston,
Mitchell,	Black,

Mr. ROBB: Mr. Speaker, on the vote just taken I was paired with the hon. member for Vancouver Centre (Mr. Stevens). Had I not been paired I would have voted for the amendment.

Mr. CLIFFORD: I was paired with the hon. member for East Elgin (Mr. Stansell). Had I voted I would have voted for the amendment.

Mr. SPEAKER: I declare the amendment carried. I understand that the hon. member for East Calgary (Mr. Irvine) withdraws his motion. Is it the pleasure of the House that the hon. gentleman should have leave to withdraw his motion?

Mr. MEIGHEN: Mr. Speaker, how can there be an amendment carried to a motion that is withdrawn? The amendment is to the motion; the amendment having passed, there is no motion.

Mr. SPEAKER: There is no motion left, but I wanted to give effect to what the hon. member for East Calgary had stated prior to the vote.

Mr. MEIGHEN: It cannot be given effect to after the vote just taken. I may say that a large number of our members had gone home on the faith of the report from the whip to the effect that an arrangement had been made that there would be not a vote, but an adjournment.

ADJOURNMENT—HOME BANK PETITION TABLED

Mr. MACKENZIE KING: I wish to lay on the Table of the House the petition of the depositors of the Home Bank, which I promised I would bring down before the sitting was concluded.

Motion agreed to and the House adjourned at 12.55 a.m. (Friday).

Friday, March 28, 1924

The House met at three o'clock.

MESSAGE FROM THE GOVERNOR GENERAL

ACKNOWLEDGEMENT OF ADDRESS

Mr. SPEAKER: I have the honour to inform the House that I have received a message from His Excellency the Governor General, signed by his own hand, reading as follows:

> I have received with great pleasure the Address you have voted in reply to my Speech at the opening of Parliament and thank you for it sincerely.
>
> BYNG OF VIMY.

Government House, Ottawa.

PRIVATE BILLS

FIRST READINGS

Bill No. 22, to amend an Act to incorporate the Burrard Inlet Tunnel and Bridge Company.—Mr. Clark.

Bill No. 23, respecting the Commercial Travellers Mutual Insurance Company.—Mr. Ryckman.

UNITED CHURCH OF CANADA

Mr. R. B. HANSON (York-Sunbury): Mr. Speaker, I beg leave to present the petition of the Hon. Oswald S. Crocket and 434 others, communicants and adherents of St. Paul's Presbyterian Church, Fredericton, New Brunswick, against the proposed church union bill; also the petition of William A. Shaw, of the Presbyterian Church Mission of New Maryland and Hanwell, York county, New Brunswick, against the proposed church union.

Mr. MURRAY MacLAREN (St. John City and Counties of St. John and Albert): I desire to present a petition from members and adherents of St. Andrew's Church, St. John, New Brunswick, asking that the church union bill be not passed.

DIVORCE

EQUALITY OF GROUNDS FOR RELIEF AS BETWEEN THE SEXES

Mr. JOS. T. SHAW (West Calgary): moved for leave to introduce Bill No. 24, respecting divorce.

Mr. MACKENZIE KING: Explain.

Mr. SHAW: The object of the proposed bill is to place the sexes on an equality so far as divorce is concerned. It is in accordance with the resolution which I introduced into the House a short time ago.

Motion agreed to and bill read the first time.

HOME BANK

PERSONNEL OF DEPUTATION—CORRECTION BY THE PRIME MINISTER

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, last night in referring to the gentlemen who appeared before the government to present the petition of the depositors of the Home Bank I stated that two hon. members of the House of Commons were present with the deputation, namely, the hon. member for West Elgin (Mr. McKillop) and the member for Leeds (Mr. H. A. Stewart). The hon. member for Leeds corrected me, and then I said it was the hon. member for West Hamilton (Mr. T. J. Stewart). I was speaking from memory at the time. I have since looked at the record and I find I was in error in saying that it was the hon. member for West Hamilton; it was the hon. member for Hochelaga (Mr. St. Père), who was present with the hon. member for West Elgin. I wish to make that correction.

EXPORT OF PULPWOOD

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, I wish to call the attention of the government to a very obvious error in the reply to a question of yesterday, and I would like the government to have the question restored and the correct answer given. The question was by myself, and appears on page 726 of Hansard. I quote:

Under what authority of what statute did the government pass Order in Council P.C. 1563 of August 14, 1923, guaranteeing to permit for a period of ten years the shipping out of pulpwood from Canada under existing contracts?

The answer was:

Right Hon. Mr. Mackenzie King: Under authority of chapter 46, Statutes of Canada, 1923. 13-14 George V. [Mr. MacLaren.]

This statute I have before me. It is very simple. The statute simply authorizes the government to prohibit the exportation of pulpwood and was passed on the 30th of June, 1923. It adds pulpwood to the articles permitted to be prohibited under chapter 50, of the statutes of 1906, which statute reads as follows:

The Governor in Council may by regulation prohibit the exportation from Canada of petroleum in its crude or partly manufactured state.

With the addition of last year it will read:

—and pulpwood of the variety, kind, place of origin or having the particulars of identification or ownership or production described in the regulation.

The government will see at once that it merely authorizes the prohibition. It does not authorize any exception.

Right Hon. W. L. MACKENZIE KING (Prime Minister): In giving the answer I may say I was guided by the order in council itself. The order in council was drafted by the ex-Minister of Justice, and I assumed that it stated accurately the authority. I will be pleased to lay on the Table of the House a copy of the order in council. I am glad my right hon. friend has brought the matter up if the authority is not correct.

Mr. MEIGHEN: I would ask the Prime Minister to refer the matter to the Justice department again. I am sure they would never allege there was authority there.

DOMINION LANDS ACT

On the Orders of the Day:

Mr. NEIL McTAGGART (Maple Creek): Is it the intention of the government to introduce legislation at this session of the House amending the Dominion Lands Act with its amendments, and if so, what is the nature of the proposed legislation in this regard?

Hon. CHARLES STEWART (Minister of the Interior): We have the matter under consideration, but at the moment I am unable to say definitely what the amendments will be.

CANADIAN NATIONAL RAILWAYS

BRANCH LINES BILLS

On the Orders of the Day:

Mr. M. N. CAMPBELL (Mackenzie): Is it the intention of the government to refer the various branch lines bills to the select standing committee on Railways and Canals for consideration?

Hon. GEORGE P. GRAHAM (Minister of Railways): It is not the intention to refer the branch lines bills to the Railway committee.

INTERNATIONAL DEEP WATERWAYS COMMISSION.

On the Orders of the Day:

Mr. JOHN MILLAR (Qu'Appelle): Does the government deem it necessary it should give consideration to the allegations of some United States newspapers, including the Engineering News-Record of New York, of March 20, that President Coolidge's appointees to the International St. Lawrence Deep Waterways Commission, with few exceptions are strongly in favour of the project?

Right Hon. W. L. MACKENZIE KING (Prime Minister): If I gathered my hon. friend's question aright it is: Does the government intend to observe that most of the appointees on the National Committee the United States government is appointing are in favour of the deep waterways project, and will this government govern its action accordingly?

Mr. MILLAR: In effect, does the government consider it its duty to recognize or take cognizance of that fact in any way?

Mr. MACKENZIE KING: I cannot say, of course, how accurate the report may be. I cannot say whether it is true or not true, that the American appointees are all in favour of the deep waterways project. I imagine that what my hon. friend wishes to elicit is whether our government in making its nominations to our National Committee intends to appoint only those who are in favour of the project. If that is what he has in mind, I would say to him that the government will endeavour to name as members of the National Committee gentlemen whose judgment will be recognized as independent in a matter of this kind.

INDUSTRIAL DISPUTES INVESTIGATION ACT, 1907, AMENDMENT

Hon. JAMES MURDOCK (Minister of Labour) moved the third reading of Bill No. 7, to amend the Industrial Disputes Investigation Act, 1907.

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

PENITENTIARIES ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 12, to amend the Penitentiaries Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Power of warden and officers to prevent escape and to effect arrest and recapture of escaping convicts.

Mr. LAPOINTE: I gave the explanation on the first reading of the bill.

Mr. MEIGHEN: Has any concrete case arisen where the power of the warden has been impugned?

Mr. LAPOINTE: I am informed by the department that some tribunals have expressed a doubt as to the power of the wardens and officers to use the same means in arresting or preventing the escape and effecting the recapture of convicts who were escaping as if the convict had been convicted or was under imprisonment for felony. Practically, under the Criminal Code, the former distinction between a felony and a misdemeanour has been abolished, but still there is a doubt as to whether the same force could be used in arresting a prisoner or preventing his escape, when the offences are not those which were felonies under the former act.

Mr. MEIGHEN: Who would be included within the meaning of the term, "officers"?

Mr. LAPOINTE: The guards.

Section agreed to.

On section 2—Where convict to be confined pending determination of his appeal.

Mr. LAPOINTE: As my right hon. friend knows, there was an amendment made to the Criminal Code last year giving prisoners the right of appeal against their conviction, but no amendment was made to the Penitentiaries Act to say where those prisoners should be kept until their case was finally disposed of. Of course, the penitentiary is a place of punishment, and is not a proper place for the detention of prisoners whose fate has not been decided, and who are not considered as convicts. The purpose of this section is to provide that they shall be kept in a common gaol until their appeal has been disposed of.

Mr. McQUARRIE: That is, if there is an appeal. But in cases where there is no appeal?

Mr. LAPOINTE: There are rules of the various courts that under the act you must determine the period of delay during which the appeal must be made. Until that delay has expired they shall be kept in the common gaol unless before the expiration of the delay they serve notice that they want to appeal, and then they shall be moved to the penitentiary.

Mr. McQUARRIE: The principle of this legislation seems to be that a man shall not be taken to the penitentiary until after the expiration of the time limited for appeal?

Mr. LAPOINTE: Yes.

Mr. McQUARRIE: Whether he takes an appeal or not?

Mr. LAPOINTE: Yes.

Mr. McQUARRIE: Provided the person committed may notify the Crown that he does not intend to appeal?

Mr. LAPOINTE: Exactly.

Mr. McQUARRIE: This seems to me to be a wrong principle to embody in legislation of this kind; that is, it is not necessary to anticipate appeals in all cases. If a man does not wish to go to the penitentiary he can give notice of appeal. In that case, of course, it would be quite proper that he should not be taken to the penitentiary.

Mr. LAPOINTE: It will not be of any advantage to the man to act as my hon. friend suggests, because he will be in gaol pending the appeal, and the time in which the appeal may be entered will not count on his sentence. He will have to serve the full period of the sentence if he goes to the penitentiary.

Mr. GARLAND (Bow River): Sub-section 4 of section 2 reads as follows:

> Any period during which a convict is detained in the gaol or other place of confinement pursuant to the authority of this section shall not be computed as time served in the execution of his sentence.

I understand it has been customary in the past to leave such a matter to the discretion of the judge—that is, as to whether time served in the place of confinement prior to the execution of a sentence shall count as part of the prisoner's term.

Mr. LAPOINTE: The judges will take that into consideration, after this bill has been passed, just as they have been doing previously. However, my hon. friend will understand this: A prisoner who is awaiting conviction cannot be treated as a man who is serving a sentence—he is not as a matter of fact—and by lodging an appeal he hopes to escape conviction. He is in the position of a man who is awaiting his trial. In the case of the man who has been tried the time during which he is in gaol is not computed in connection with his sentence. The judge, of course, can impose a lighter sentence if he pleases, but under the law the time of the prisoner's stay in gaol does not form part of his sentence.

Mr. GARLAND (Bow River): The minister's explanation convinces me that this subsection is not necessary. I would therefore suggest that it be withdrawn, leaving the law as it is at present. The subsection specifically states that the time served in gaol shall not be computed as part of the sentence: the minister is laying down a definite regulation in this bill.

Mr. MEIGHEN: I agree wholly with what the minister says; but suppose the judge on appeal says the sentence shall be reduced from six years to four years? Then the question comes, does the time the prisoner has served count? This law applies and says it does not; he must serve four years in the penitentiary.

Section agreed to.

Bill reported, read the third time and passed.

JUDGES' ACT AMENDMENT—YUKON

Hon. ERNEST LAPOINTE (Minister of Justice) moved that the House go into committee to consider the following proposed resolution:

> That it is expedient to amend the act to amend the Judges Act, chapter fifty-six of the statutes of 1920, section seven, to provide that the salary of the judge of the Territorial Court of the Yukon Territory be increased from seven thousand to nine thousand dollars per annum, but the increase of salary so granted shall not entitle the judge to any increase in the annuity which may be granted him on retirement in excess of six thousand dollars.

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

Mr. MEIGHEN: Would the minister explain how it is that every resolution we ever have about salaries, or almost any other subject, means an increase in expenditure? I remember strong pressure for years back—

Mr. BELAND: Especially for judges.

Mr. MEIGHEN: Especially for judges?—I do not know but that that is correct;—and deputy ministers too, especially for those who have pretty good salaries. I do not want to be taking that stand merely arbitrarily on every case, but is it not a fact that the judge of the Yukon district has been drawing $10,000, in reality, as compared with another judge?—that is to say $5,000 denominated salary, and $5,000 as living expenses which, of course, the ordinary judge does not have. Possibly that $5,000 was increased to $7,000, it

must have been, according to this resolution, so that this judge has been drawing $7,000 of late years as salary and $5,000 living expenses. Well, in all conscience, is not that enough?

Mr. LAPOINTE: There is a living allowance for the judge in the Yukon of $5,000 as my right hon. friend says, and we are going to see that he does not receive that full allowance when he receives this increase. He is getting an increase that puts him on the same level as all the other judges of superior jurisdiction in Canada. He is the only one, out of all the judges of the land, in the High Courts, who does not receive a salary of $9,000. This is just for the purpose of placing him in a position of equality with the others. He has the same standing, he must possess the same qualifications, and he must be there to do the work. Hereafter, instead of receiving $5,000 living allowance he will be paid only $3,000 and will be given the status of the other judges.

Mr. BELAND: After that I withdraw my objection.

Mr. MEIGHEN: I believe in one way it is just as indefensible as it was before. Is he really not getting $3,000 more than any other judge? He certainly has not the heaviest jurisdiction.

Mr. LAPOINTE: Well, he was receiving $5,000 of a living allowance on account of living in the Yukon. After this resolution is passed he will receive only $3,000, and there will be a saving to the country in that respect.

Mr. HOCKEN: He will not get any more in future than he has been getting?

Mr. LAPOINTE: No.

Mr. HOCKEN: Then what is the sense of making the change?

Mr. BLACK (Yukon): I should like to make the situation clearer to the committee. By the revised statutes of Canada, chapter 138, the salary of the judge of the Yukon territory was fixed at $5,000 a year. By the same act the salaries of the Superior Court judges of Quebec and of the High Court of Justice of Ontario were fixed at $7,000 a year; and those of the judges of the Supreme Courts of Nova Scotia, New Brunswick, British Columbia, Saskatchewan and Alberta, and of the Court of the King's Bench of Manitoba, at $6,000 a year. By section 192 of the act it is provided that the judges of any of the above courts, after serving fifteen years, might be retired on an annuity equal to two-thirds of their salary at that time. In the case of the judges of the provinces of Ontario and Quebec the amount would be $4,666. The judges of the other provinces would receive $4,000, and the judges of the Yukon territory would be entitled to receive $3,333. By chapter 59 of the Statutes of Canada, 1919, the salaries of the judges of the classes mentioned in the provinces of Nova Scotia, New Brunswick, Manitoba, British Columbia, Saskatchewan and Alberta, were increased to $7,000. There was no corresponding increase for the judge in the Territorial Court of the Yukon. By chapter 56 of the Statutes of Canada, 1920, the salaries of the judges of the classes I have named—New Brunswick, Nova Scotia, Prince Edward Island, Manitoba, British Columbia, Alberta and Saskatchewan, and including the judges of the High Court division in Ontario and judges of the Supreme Court in Quebec—were all increased to $9,000. The salaries of the judge of the Territorial Court of the Yukon was increased to $7,000. By section 20 of chapter 138 of the Revised Statutes, 1906, it is provided that if one has continued in office as judge of one or more of the said courts for thirty years or upwards he may resign, and the government may grant him an annuity equal to his salary for life. By chapter 56, 1920, under which act the salaries of the judges of the provinces were increased to $9,000, and the salary of the judge of the Territorial Court of the Yukon was increased to $7,000, it is provided by section 13 that the increases of salary granted by that act shall not entitle any judge to any increase in the annuity which may be granted to such judge under the provisions of section 20 to which I have referred, and the effect of this is that the judges of the province, if retiring after thirty years' service, retire at $7,000 per year, while without this resolution now before the House the judge of the Territorial Court of the Yukon would retire at $5,000, and with this resolution he would retire at $6,000 a year. This resolution is doing him partial justice, but I say that it does not put him on an equal footing with judges of his rank throughout Canada. I therefore move that the word "six" be struck out of the resolution and that the word "seven" be substituted therefor; so that when the judge in the Yukon has served thirty years he may be retired on the same terms as his brother judges. After serving thirty years there is no reason why he should not be put on the same footing as the others. It may have been extravagant to increase the salaries of the judges all over Canada as was done in 1919 and 1920, but if you are going to do it, be consistent

and do it for the whole of Canada. I say that the government should not consider granting a judge an annuity of two-thirds of his salary and accepting his resignation now. I do not think there should be any thought of that on the part of the government. I do not know that the judge has it in mind, but, if he has, the government should not stand for it. I am happy to say the judge is in excellent health, and a comparatively young man. The time has not come for his retirement. The judge is there, and the court is necessary for the territory. The community is an isolated one, far removed from any of the provinces. Valuable interests, valuable property and civil rights are involved in actions. It is necessary to have a judge of Supreme Court jurisdiction to preside at the criminal court. The idea that judges might be sent on circuit from British Columbia to take the place of the Yukon judge has been mooted. This would not be practicable nor economical, and it would be most disastrous to the people before the court. I would like to point out that should the government accept the judge's resignation now his retiring allowance would be $6,000, in addition to which it would be necessary to appoint and pay another judge, and there is no reason to suppose it would cost less than the cost at present, which is $12,000 per annum, and instead of costing the country $12,000 it would be costing $18,000 a year to retire the judge and appoint another. In fact it would be costing $23,000 a year because we have now one judge who has been retired for a good many years on a pension of $5,000 a year. There is no need for such increased expenditure. Our present judge is quite competent physically and mentally to discharge the duties of his office, and I for one hope he will be spared for many years, and hope the government will continue him in office.

I say this judge should be entitled to retire at the same amount as the judges of his rank throughout Canada, which is $7,000. The amendment to the resolution will not at this time cost the country a cent more than the resolution as it stands. And in fact the resolution as it stands does not at this time entail any extra expense to the country; it only provides for dealing fairly with the judge when the time comes for his retirement.

Mr. LAPOINTE: I am glad my hon. friend has come to my rescue in regard to the mild charge of extravagance laid by my right hon. friend (Mr. Meighen). The hon. member says that apparently I am not doing justice to the Yukon Territory by the bill which is before the committee; but I think we are doing full justice to the judge there. Under the Statutes of 1920, to which my hon. friend referred, all the judges who would avail themselves of the increase by the statute would lose the benefit of section 20 which gives them the right to retire after a certain number of years with their full pension. Section 20 of the Judges' Act is repealed, so far as the judges who have accepted the increase given by the Statutes of 1920 are concerned. I think the same principle can be applied today, and the judge of the Yukon Territory whose salary is $9,000 according to the increase which is provided for by the present bill, should not benefit by section 20 of the act, and should be entitled only to two-thirds of his salary when he is superannuated. I really believe that by this bill we are placing the judge of the Yukon in exactly the same position as the other judges whose salaries were increased in 1920.

The CHAIRMAN: The question is on the amendment. The amendment proposed by the hon. member for the Yukon (Mr. Black) provides for an increase in the impost, and in my opinion is out of order.

Mr. BLACK (Yukon): I do not want to discuss the point of order at any length. I note the way the Minister of Justice (Mr. Lapointe) put it, but my intention is not to come to his rescue against any fair criticism that may be offered to this resolution. I merely wish to put the facts fairly before the committee, and let the House understand that in this resolution the only object as far as I can see is to do justice to the judge of the Yukon. And I submit that while the resolution goes part way it does not go far enough. If the amendment is ruled out of order, it has the same fate as any other resolution which is out of order.

The CHAIRMAN: I declare the resolution moved by the hon. member for the Yukon (Mr. Black) out of order.

Resolution reported, read the second time and concurred in. Mr. Lapointe thereupon moved for leave to introduce Bill No. 25, to amend the Judges' Act.

Motion agreed to and bill read the first time.

SUPPLY

AGRICULTURE

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

Agriculture—experimental farms, $1,400,000.

Mr. GARLAND (Bow River): What is the annual cost of each of the following sub-stations: Fort Smith, Fort Resolution, and Fort Providence, Northwest Territories, and Fort Vermilion, Alberta?

Hon. W. R. MOTHERWELL (Minister of Agriculture): It will take only a moment or two to hunt up those figures, and in the meantime I might perhaps make some explanation with respect to this somewhat substantial reduction in the appropriation for experimental farms. Possibly this reduction will be too large to suit some and too small to suit others; but, speaking generally, I think it is in fair conformity with reductions in the estimates which have resulted in an aggregate reduction of $46,000,000. We hope, however, not to curtail the services to any appreciable extent; but certain activities will have to be dispensed with in order, with this reduction, to take care of the work.

I might refer to the contemplated establishment of a new experimental farm in the northern part of British Columbia. In a sense, there was a commitment to that by the government which preceded this one. I visited that territory myself two years ago, and with certain reservations I would say that the promises of my predecessor were substantiated by myself. We find, however, that that will have to be deferred a little longer. As regards the proposed extension of the Brandon farm which has been flooded very considerably during the past two years, and which should have an extension of territory attached to it on the bench land above the valley at Brandon, we shall have to wait a little while before we make that necessary outlay. These are some of the retrenchments that we shall have to consider in order to carry on these farms without any decrease in efficiency. The figures asked for by my hon. friend from Bow River (Mr. Garland) are as follows:

Swede Creek, Dawson, Yukon Territory..	$2,020
Fort Smith, Fort Resolution and Fort Providence	690
Fort Vermilion..	5,525

Mr. GARLAND (Bow River): I would now ask the minister for justification for the Fort Vermilion farm. It is very far in the north country; it has very little settlement around it, and it costs quite a bit of money.

Mr. MOTHERWELL: Yes, it is quite possible that we may have extended our frontier rapidly in many respects as well as in the establishmnet of sub-stations. Our policy used to be that we could not get too far towards the setting sun, and that was carried out by our pioneer farmers as well. I presume that it was in conformity with that general policy, that this sub-station was opened about fifteen years ago. While possibly we are living in a period of retrenchment, we have not thought it advisable to do anything in the way of abolishing experiments that have been conducted at that sub-station. Whatever my personal views might be with regard to this work, I feel a little loath to begin to tear down any of the work of my predecessors who have been building up those institutions for the last forty years. Yet I hope, where it is shown that they are not required; that the money is either wholly or partially wasted; that there is no possible chance of settlement or of gaining useful information, that change can be brought about if necessary.

Mr. LEWIS: How does the expenditure at Fort Vermilion this year compare with previous expenditures?

Mr. MOTHERWELL: It will be about the same. I have a note that indicates that wheat has been ripened every year except one at Fort Vermilion, and of course where wheat will ripen, coarse grains will ripen better still. I shall be glad to have any views regarding the desirability of keeping those northern sub-stations open. The expense is not very heavy. I understand that in that district there are some three or four hundred settlers. I am sure the advantages of that pioneer district will be comparatively limited, and if we do anything to abolish this institution, those settlers may feel that we are deserting them altogether. I understand settlers are still going in there.

Mr. GARDINER: What value has this station to the settlers?

Mr. MOTHERWELL: Exactly the same information is given by this farm as is given by any other experimental station. Instead of every settler carrying out a line of experiments at his own expense, this sub-station demonstrates just what the locality is adapted for. There is no doubt that we have had pioneer districts established in Canada, particularly in the older parts of Ontario and some other places, without the aid of such institutions; but it is equally true that new settlers coming in are materially assisted by these experimental stations.

Mr. GARDINER: How far is this sub-station from a railway?

Mr. MOTHERWELL: About four hundred miles.

Mr. GARDINER: This station would no doubt induce other settlers to locate in that district and ultimately the cost to the country of the work carried on there would be considerably greater. The place being so far from a railway, does the minister think he is justified in keeping the station open?

Mr. MOTHERWELL: That, of course, is a question that is open to argument. I might say that I myself once went in two hundred miles from a railway, and from my experience I am inclined to be somewhat sympathetic towards these people.

Mr. McMASTER: The minister forgets that he was self-supporting, whereas this experimental farm is not.

Mr. MOTHERWELL: That, of course, is true. But there are a great many institutions that are not self-supporting which at one time were, and I do not know whether this is to our advantage or not. If we take the ground that these settlers should not have gone in there, and if for that reason we discontinue the work of this station, it will be tantamount to telling these people that so far as we are concerned they will have to get along as best they can. If that is the view hon. gentlemen take, then I shall look into the matter; but for my part I do not think that would be wise.

Mr. GARDINER: What income is derived from this particular station?

Mr. MOTHERWELL: The gross income is practically nil, because there is no market.

Mr. BRETHEN: Is it a home market for the settlers?

Mr. MOTHERWELL: Perhaps my hon. friend from New Westminister (Mr. McQuarrie) could answer that question.

Mr. GARLAND (Bow River): I do not wish to be unfair to the minister, but, frankly, I think that he might very seriously consider the advisability of suspending all operations at this sub-station. I understand that we are bending all our efforts to the settlement of those parts of Canada that are situated within reasonable distances of our many railways; but there is no prospect of a railway going into this particular locality. It is four hundred miles from a railway and I hope it will be many years before very many people go there, because it will cost the country so much, and without a railway I do not think the expense would be justified. I am not suggesting that the minister should virtually say to the settlers out there that he throws up the sponge and that no one can exist in that part of the country. But it seems to me that the settlers themselves realize far better than the minister does that they cannot make money there; probably they are barely existing.

Mr. MOTHERWELL: The question is a proper one for discussion. This winter I have discussed the matter fully with my officers, somewhat along the line indicated by my hon. friend, and I was forced to the conclusion that it would be very much like cruelty to deprive the people in that district of the advantages they get from this station. I do not know that we should have too much sentiment in matters of this kind, but, as one who has pioneered in the West, I do not feel just now like taking the institution away from them. In my opinion the policy of development in the West has suggested a reaching out towards the setting sun.

Mr. FORKE: What is the population?

Mr. MOTHERWELL: There are about three or four hundred in the district. These small communities are getting smaller all the time, because, although new settlers are going in, the old ones are leaving.

Mr. KENNEDY (Edmonton): This district is located three hundred miles down the Peace river from the town of Peace River, and about six hundred and fifty miles north of Edmonton. I understand, as the minister himself has said, that the population is between three and four hundred. An hon. member asks what can be grown in this place. For thirty-six years there has been general farming and I think it was in 1917 that some 3,000 or 4,000 bushels of wheat were shipped to Fort William from this point. If that farm serves no greater purpose than an experimental station for three or four hundred settlers I am doubtful whether we can afford the expenditure it entails. I am not familiar with all the circumstances in connection with the establishment of the farm, nor do I know just what work has been done there. I have never been able to get down to the district to look into conditions and so I am not in a position to speak with authority. I feel however that as we have been advocating economy generally, some of us possibly will have to begin at home. I should hate to say, however, that the farm should be discontinued, because I do not know enough about the work it does to take any emphatic stand on the question. There is in that north country, in the Grand Prairie district, another station, the Beaver Lodge farm which serves a very much larger territory, and I understand that

4 p.m.

the cost of that farm is about $10,000 per annum. The great difficulty which the people at Fort Vermilion have to contend against is that of transportation. I think they know pretty well what they can grow and I would very much rather see the money spent in providing them with some sort of transportation. I have been advocating some assistance to a steamboat that would run between Peace river and Fort Vermilion and also up to Fort St. John. There are a number of settlements scattered along between Peace river and Fort Vermilion, such as the Keg river settlement, which are all served by this experimental farm. Speaking generally, the experimental farm business has got far ahead of the practical possibilities of the ordinary farm. While we have a vast territory up there, as large almost as all the rest of Alberta, we have at Edmonton a great provincial government farm under the university. One hundred miles south we have the Lacombe farm, and south of that again the farm at Lethbridge. While the farm at Lethbridge does different work from that of the other two farms, in that it is in the centre of a district that required irrigation, I cannot see and never could see any reason for two farms in the territory between Lacombe and Edmonton when they do exactly the same work under practically the same conditions.

Mr. LUCAS: Does the minister not think that the time has come when a different policy should be adopted in connection with experimental farms? I believe that the different provinces throughout Canada, now that they are all properly organized, are in a better position to conduct experimental work than the Dominion, and some policy should be instituted that would obviate a great deal of the overlapping which now obtains. If this work were left to the provincial governments, aid being given by the Dominion such as was given under the Agricultural Instruction Act and the Dominion devoting its energies entirely to research work, the results would be much more beneficial to the country. We are all familiar with the great benefit that resulted to Canada from the introduction of Marquis wheat by Dr. Saunders. The research work of Canada is being starved to-day through lack of sufficient money to pay adequate salaries in order that capable men may be attracted to it. One thing we in western Canada suffer from to-day is lack of suitable grasses for that country, and if our research institutions could produce a grass that would become native to the western districts as clover is to Ontario, they would render a service of inestimable value. The minister might well consider the matter of a new policy in connection with experimental farms.

Mr. TOLMIE: In view of the very large expenditure to be made on the experimental farm system, $1,400,000, I suggest that the minister give us an outline of the work which is the justification of that expenditure. The work being carried on is a very valuable work indeed, and we would like to know what progress is being made with those farms and what new developments have taken place within the last year or two.

Mr. MOTHERWELL: Replying to the hon. member (Mr. Lucas) with respect to the advisability of adopting some new and advanced policy in dealing with experimental farms, I might first recite briefly some of the steps taken during the last forty years in connection with the establishment of these farms. During the administration of Sir John A. Macdonald, the first group of farms was established, consisting of the central one here and four branch farms at Nappan, Brandon, Indian Head and Agassiz respectively. For a number of years this was the entire establishment, but under the administration led by Sir Wilfrid Laurier eight additional branch farms were established, and during the regime of the government that preceded the present one a further addition of eight or nine branch farms was made. Since we came into power we have not established any new ones, although we have discussed the possibility of establishing one in northern British Columbia on account of there having been a tacit understanding in regard to it. There is also an experimental station in western Ontario, but it is a tobacco farm, not one of the regular establishments. So that we have at least stopped the expansion of these branch farms, and we are endeavouring to carry out the policy that I enunciated the first session that this government was in power, namely, that before any new farms should be established we would endeavour to put the present ones in good shape and make them a credit to the country. To that extent at least we have met the wishes of my hon. friend, who thinks that possibly there should be a reduction rather than an expansion of these institutions. Now, that is an open question. Possibly we have expanded too rapidly in this respect as we have done in many other respects, and we are now considering all along the line just how we may deal with the situation. I believe it is generally thought that we have too many trunk railways throughout Canada. Some people think we have,

in the West at least, too many agricultural colleges for present needs. But I think the country will grow up to them and that we shall ultimately be able to make use of all these facilities, though just at present the burden of so many educational institutions of this kind is being felt. Some even think that we have too many universities in the West. I would not like to say that; I think the time will come when they will all be required to meet the country's needs. The point is, what are we to do in the meantime? Are we to close these institutions now, or should we get along the best we can until we grow up to the facilities which they provide? My hon. friends will note that in nearly all cases where there is alleged overlapping it is because provincial institutions have sprung up since the Dominion farms were established. Take the Lacombe farm, for instance; it was started many years before the provincial farm at Edmonton was established, and now you have the two farms comparatively close together—100 miles or so, which may not be so very close after all. Coming to Saskatchewan, some time after the Rosthern farm was established, the University farm at Saskatoon was instituted, in a very suitable place about 40 miles from Rosthern. I indicated at that time that we hoped in the reasonably near future to transfer the Rosthern farm to some northern part of the province where the people had not the benefit of any such institution. I now find, however that it would cost more to establish a new farm in the north than it would to maintain the present farm where it is; therefore we have so far refrained from taking any action. Coming to the Maritime provinces, one of the first institutions of this kind was established at Nappan, and some time afterward the provincial county farm at Truro was established. We have been endeavouring to co-ordinate the work, to use a rather hackneyed expression, and we have been endeavouring to avoid overlapping. For instance, at Rosthern we would slack off on the work, leaving it to the university, and the same might be done in other cases. We have not, however, done that at Lacombe owing to the fact that there is a reasonable distance between that station and the provincial farm at Edmonton. If hon. gentlemen on any side of the House have a recommendation to make along the line of closing these farms, those in their own constituencies, for instance, I would be very glad to entertain it. I do not say that we would promise to close any but I think we could get along with less. All the farms, however, are doing good work; it has been my privilege to visit nearly all of them. I had been told that some of the farms in the Maritime provinces were comparatively useless, but on visiting them I found that there were not any better conducted experimental farms in Canada than those in that part of the country, and that the work was under the supervision of four exceedingly good superintendents. I have no doubt that if there were twice as many farms they would all be doing good work, but the point is, have we more than the circumstances warrant and than we have money to maintain at this time? If we have, then what shall we eliminate? Now, I am open to advice.

Mr. MEIGHEN: I do not think in the present nebulous state of the minister's mind we are going to get much change of policy with respect to these sub-stations. I would like to get at the minister's general policy, what principle he is following in relation to these estimates. I notice that in this estimate there is a reduction this year over last of $125,000. Last year in the very same item there was an increase from the year before of $200,000, or taking the agricultural estimates as a whole, while the minister wanted more money last year, an increase, this year he cuts down, and wants $1,269,000 less—an increase all along the line last year and a large diminution this year in agriculture, and according to the Speech from the Throne we are getting better off all the time. How does the minister account for diminishing the agriculture vote this year against an increase last year when, according to his own words, we are in better shape this year than we were last?

Mr. MOTHERWELL: I was coming to that; one at a time is good fishing. I was answering the question of my hon. friend from Victoria as to what was our policy. I think I enunciated that two years ago. What new policies have we adopted? One was this: With regard to cultural methods, farm practices in the matter of experimentation with new cereals and crop rotations, which, after all is all right, we believed the time had come in the older districts where these farms have been established for at least twenty-five years when the farmers in the neighbourhood had obtained nearly all the information they were likely to get in cultural methods. In new districts that does not apply. The Indian Head farm, for instance, has done magnificent work in the matter of cultural methods for the prairies, but the farmers for miles around that station have already adopted all the modern methods of cultivation on the prairies, and therefore we think less attention should be paid, and less attention is being paid, and this is one change

in policy, to cultural methods in the way of experimentation. But more attention is being paid to proper rotations for western Canada, the best rotation of crops including grass; that is something that has not yet been worked out.

In addition, we are paying more attention all the time to live stock. As I have already intimated on former occasions, we are endeavouring to feature live stock, practically all kinds of domestic live stock, at all of these stations. I spoke at one time of trying to establish something in the nature of breeding stations for the purpose of encouraging high-class live stock for breeding purposes. We have already shipped in from the Old Country, during the last year, forty or fifty breeding animals, and we are only deterred from getting more by the embargo against us, which prevents us from getting animals from the United Kingdom at the present time. Those are two features we are developing.

Many hon. members will also recall that the question of shipping chilled beef to the Old Country has been before the people of this country ever since I can remember; but whenever anyone who was endeavouring to improve conditions would suggest that the embargo be taken off cattle or we tried to get the embargo removed he would be met with the objection: What does it matter; we should be sending our cattle across to England in the form of chilled beef. Now we have been reading up and keeping track of experiments by packers and private individuals for a number of years, and finally last year we made a shipment of chilled beef from the Experimental Farm at Ottawa. Some fifty head were killed at Montreal and shipped to the Old Country in the form of chilled beef. We have found in actual practice that it did not pay at all. We lost a very substantial sum as compared with selling them as stockers or killing them as fats on arrival. The shipment was divided into three equal parts, as nearly similar as we could get them. One part was killed at Montreal and shipped as chilled beef; another part was sent across as stockers, and the other part shipped as fats and killed on arrival. There was not very much difference between the stockers and the fats, but there was a tremendous difference to the disadvantage of those that were killed at Montreal and shipped as chilled. This chilled meat came into direct competition with Argentine frozen meat, and the loss on that chilled meat, as compared with similar cattle sold as stockers, was $5.62 per one hundred pounds, or over 5½ cents a pound.

Mr. SPENCER: Is it not a recognized fact in business that it takes a certain time to develop a trade? And is it fair to consider we cannot ship chilled meat from this country when we have made only one trial shipment? Is it not possible, if the trade was worked up and given a reasonable time to develop, that chilled meat could be put on the English market at a profit?

Mr. MOTHERWELL: That is right in a general sense, but similar experiments have been conducted by the Harris abattoir for two consecutive years, and their experience has been practically identical with ours. In conversation some of their representatives took the ground that they had lost enough money already experimenting on behalf of the people of Canada. Furthermore, I have met a number of people who have not very much faith in the packers and who take the ground that the packers were trying to queer this prospective business by making shipments and pretending to lose money on them. To clear that up we made the shipment I have referred to, and we certainly lost money. We would not like to have been doing that business for private individuals, and have had to report a loss of $50 a head, as compared with selling the cattle as stockers.

Mr. KNOX: Was the loss on the chilled meat attributable to the extra cost of transportation or the low price at which it was sold on the English market?

Mr. MOTHERWELL: There was a little advantage on transportation; the principal loss was on the beef. We also gained a little on the offal, which was worth more in the Old Country than here. The beef, however, was worth very much less, so when you struck a balance the result was as I have indicated. I have no doubt if we were prepared to stay in the business long enough and lose money enough we might in time be able to break even, but I am not prepared to come before this House and go before my colleagues and ask for an appropriation when I know I am going to lose a lot of money. I might say that on my recommendation this House voted $25,000 last year to continue that experiment.

Mr. BROWN: Is not this aside from the experimental farms?

Mr. MOTHERWELL: We assembled at Ottawa steers from the experimental farms

at various points and shipped the steers we had on hand, and the shipment gave us such very vivid information from the standpoint of distinct loss that we did not feel like spending the $25,000 that was voted by the House in making further experiments. It would have taken years to have built up that trade, and it is a question whether we would have broken even in the end.

Mr. BRETHEN: To get back to the experimental farm, I have listened at different times with a great deal of interest to suggestions of the minister that these farms be made breeding depots. In view of the fact that private individuals with Ontario Holstein breeders won the herd prize for ten animals at the International Dairy Show last year in competition with the best in America, and that the Ayrshire breeders of Quebec won a similar prize, that the breeders of Clydesdale horses, beef, Shorthorn cattle and Aberdeen-Angus can go to the Chicago National Show and win in competition with the best in America, the Aberdeen-Angus winner selling for $15,000 there this year, does not the minister think that it would be a very safe principle to leave the breeding of pure-bred cattle to the private breeders of the Dominion. I know, because I sold some cattle to the experimental farms, that these institutions do provide a home market for the breeders; but I believe that the experimental stations, as breeding depots, are very expensive luxuries for the people of this country to support.

Mr. MOTHERWELL: That attitude is sometimes taken, I appreciate that fact, by the breeders themselves, but I cannot recall a single instance where the breeders have come to the department and complained that the government was competing with them. Here is the way the thing usually works out —I will give an illustration with respect to forestry farms. After the forestry farms were established, the nursery companies were very much alarmed for fear their business would be interfered with. Now, instead of the business of the forestry firms being injured by a free distribution of shrubs and trees it has actually stimulated the demand for nursery stock; instead of hurting the nurserymen the forestry farms actually helped them.

With respect to this particular question I do not believe the average breeder sees any menace in the way of unfair competition with his business. Every time you put a pure bred animal to work—either through horse clubs, cattle associations, or any similar organization—the results from that animal are so apparent that you will stimulate the demand throughout that particular territory for pure bred stock. The result is that the private breeder is actually benefited by the operation of these farms in my opinion. At any rate that is the way it works out. I know that on the surface the system may appear as competitive and possibly injurious, but because of the educational value of these pure bred stock, the actual demonstration of the value of better stock, the appetite for them is increased with a result that the breeders have larger sales instead of smaller ones. I think that is correct.

Mr. WARNER: The minister may have stated but I did not catch his answer. Of what breed were the steers that he sent over, were they all of one breed?

Mr. MOTHERWELL: I can recall that they were pretty nearly even, the three standard breeds—shorthorn, white face and black; pretty nearly even. There were none of them I imagine actually pure bred. They were well bred steers of these various breeds.

Mr. WARNER: All beef breeds?

Mr. MOTHERWELL: All beef breeds.

Mr. MEIGHEN: If the minister remembers the question I asked him does he feel like making an answer yet?

Mr. MOTHERWELL: In regard to the policy of the department?

Mr. MEIGHEN: Yes.

Mr. MOTHERWELL: My right hon. friend has not recognized it although I have been trying to describe it all along.

Mr. MEIGHEN: I confess I did not recognize it.

Mr. MOTHERWELL: I do not think that is my fault.

Mr. MEIGHEN: I asked the minister what principle he was following in a year ago coming to the House and asking for a largely increased appropriation.

Mr. MOTHERWELL: That is last year?

Mr. MEIGHEN: Yes, last year. Last year in this estimate my hon. friend asked for an increased appropriation of $200,000 over the year before and this year he is asking for $125,000 less. The general estimates of his department also were increased last year, and are decreased this year by $1,269,000. What has impelled the minister to take that course? If

he is right this year was he not wrong last year; and if he was right last year is he not wrong this year? I am prepared to come back at eight o'clock if the minister would rather think over his answer for a while.

Mr. MOTHERWELL: No, I have given the answer.

Mr. MEIGHEN: I do not want to sit here and hear the minister pretend to answer by talking about chilled beef.

Mr. MOTHERWELL: My right hon. friend has been paying very little attention because I have been explaining the matter ever since I started.

Mr. MEIGHEN: Well, the minister gave us an harangue about chilled beef and told us about the money he had lost. In the meantime is the minister prepared to abandon everything else he made a failure of as well as the shipping of chilled beef?

Mr. MOTHERWELL: My right hon. friend does not seem to know the difference between a "failure" and an "experiment." Why, the worst failure often turns out the biggest success; my right hon. friend does not realize that. The very fact that we lost money will be a warning to others not to try it. I have explained the question of there being an increased vote last year. I will take my right hon. friend's statement that it was $200,000. This year we are reducing the vote for experimental farms by $125,000. I explained that we would be able to conduct the farms without any very great loss of efficiency and still save $125,000, but we would have to defer some of the expansion contemplated. We would have to put off the expansion at the Brandon farm that is needed very badly. We would have to cut off some of the frills and flounces, instead of taking care of the lawns and the borders and the boulevards—all of which should be repaired for receiving company. We will have to be less careful, we will have to disregard some of these little features that experimental farms are expected to have. The farms are supposed to be in apple pie order and not to get into a careless or slovenly state, but it takes some money to make them look attractive all the time. However some cutting is needed and we have done it without affecting the usefulness of these institutions. In the Maritime provinces some of these farms are very rough. Take the Fredericton farm. I have always endeavoured not to criticize my predecessors in the establishment of these farms and I am not going to do so now except to state that that was a very expensive farm to clear up. Last year we spent a considerable sum of money, I was there when they were at it. It will give some idea of the kind of soil it was when I state that we have to plough with oxen so rough, stony and stumpy is the ground. It certainly was very expensive land to clear. We will put a stop to the clearing of that land until our revenues are more buoyant. The same may be said of the farm at Kentville.

Mr. TOLMIE: What year was that farm established?

Mr. MOTHERWELL: I do not know and I do not care much. The year 1910 I understand from my deputy. An addition of twenty-three acres was made to the Kentville farm a year ago but the land is exceedingly rough and requires some clearing up. We will have to abstain from these improvements in view of our policy of retrenchment at this time.

Mr. MEIGHEN: Why were not the frills, and flounces and boulevards cut out last year?

Mr. MOTHERWELL: I will explain that.

Mr. MEIGHEN: Because the minister has been a party to the statement that we are in better condition this year, that there is greater prosperity in Canada than last year.

Mr. MOTHERWELL: The reason the expenditure is cut out this year is because there is an united effort all along the line to make the budget of this Dominion balance, and we all have to do our share.

Mr. MEIGHEN: Why was it not done last year?

Mr. MOTHERWELL: It seemed so hopeless last year that we did not make the same amount of effort. But as the result of better conditions—better conditions on our railways and all along the line—we are making a supreme effort and everybody has to contribute a quota.

Mr. FORKE: I think with the experience of the past years the minister is able to make greater advances in the question of economy. I quite sympathize with him in his endeavours to have the leader of the opposition understand agricultural matters.

Mr. MOTHERWELL: It is quite a job.

Mr. FORKE: It is a long time since he was actively engaged in that line, and he is a little dense. However, I rose for the purpose of asking if the minister would care to express an opinion upon the idea enunciated

by the member for Victoria City (Mr. Tolmie) as to the provinces taking over a little more of the experimental work, and the Dominion devoting more of its attention to researches. Probably the Dominion might make a grant to the provinces, and I think they could expend the money probably more economically than the Dominion.

Mr. MOTHERWELL: I think that is right, and that is what we are endeavouring to do. Wherever our farms are in too close proximity to provincial farms of the same kind, we are trying to fit into their activities by refraining from doing what they are doing. That is about the extent to which you can do it, unless you abolish the institution altogether.

An hon. MEMBER: Abolish it.

Mr. MOTHERWELL: I am prepared to consider that. I am not prepared, however, to take any drastic steps in that direction until I have had an opportunity of discussing the matter with the provinces concerned. The provinces that have been referred to, Nova Scotia, Saskatchewan and Alberta have plans of their own. For instance, in Saskatchewan, I know it was the intention of the university at some time to establish a number of sub-stations to the university throughout the province. It has occurred to me that before we do anything in the way of closing any farm we should confer with those authorities, and see if they are prepared to take one or more of these institutions over and administer them. I am disposed to think, from conversations I have had with some of them, that they are not prepared just now, because their revenues are meagre, and they are trying to save money, as we are doing. Strictly speaking, educational work belongs to the provinces. That is quite right, but it has been thought advisable by the Fathers of Confederation that agricultural work should not be entirely set aside for the provinces, but that the Dominion should also participate in the educational work connected with agriculture. In Australia it is not so. There is no federal department of agriculture in Australia; all that work is done by the various states. But those who preceded me in the early days of confederation thought otherwise. I am just following in their footsteps, although I must admit it is very difficult for two governments, provincial and federal, to engage in the same work without having a certain amount of overlapping. We are all doing our very best to avoid it. I am glad to be able to say that there is splendid co-operative work between the several provinces and the Dominion. There is no jealousy or friction that I know of. Before we started new work we discussed it with them, and I think to a large extent they consulted us as to their work. But I am loath to rip into things too vigorously. We have been administering this department a comparatively short time and I should like to feel my way before beginning to tear down some of the splendid work established by my predecessors in connection with the experimental farms system. At the same time we have too many experimental farms, just as we have too many railways—not branch lines but trunk lines—and too many things in Canada for our sparse population. I am of the personal opinion that we could do with less experimental farms, but they are there and doing useful work. Shall we reduce their activities and concentrate on a smaller number, or shall we dispense with some farms where they conflict with provincial institutions of the same kind that have sprung up in recent years? That is the problem, and I have an open mind on it.

Mr. SALES: We are not asking the minister to rip into things and tear things down, and so on, but in supporting the proposal made by the hon. member for Victoria, I would ask him to consult with the ministers of agriculture, for instance, of the several provinces, the heads of the agricultural colleges, and such men as Dean Rutherford in Saskatoon, in an earnest endeavour to avoid all duplication and to define the fields which are best administered by the provincial officers and those best administered by the federal officers. The minister mentioned the Rosthern farm. That is 42 miles from Saskatoon. Is there a solitary experiment carried out at Rosthern which cannot be carried out with less expense at Saskatoon? In looking through the Auditor General's report, I find the Rosthern farm shows a loss of $20,752. Two years ago I raised this very point with my friend the minister. The amount that year was $26,000 I think, and he seems to be still following in the same old footsteps. I wonder how long the hon. minister will follow in those footsteps without really attempting to adjust a problem of this kind. I think a saving of $20,000 a year on one station alone is well worth making. Such work as the experimentation in rust, and research along those lines, are proper things for the Dominion government to carry on without doubt, and they can probably be

carried on better by the Dominion. We all acknowledge the valuable work which is done at the experimental farm at Ottawa. The services of Dr. Saunders in the introduction of the Marquis wheat are very valuable. We have no wish to curtail that kind of thing. I refer merely to the duplication which I am sure the minister himself will acknowledge exists. I would like him to answer one question, if he will make a note of it, so that he will not forget it when he starts another speech. I refer to the introduction of new live stock from the Old Country, forty head. As one of the hon. members stated, we have been able to go to Chicago and prove the quality of our cattle and horses, our hogs and so on; has the hon. minister introduced any new breed of cattle, and what was the cost of these cattle brought over?

Mr. MOTHERWELL: I will try to answer the questions of the hon. member in the order in which they were asked. With respect to the Rosthern farm I have already pointed out that the outstanding reason why this farm had not been moved to some northern part of the province where none has ever existed was that it was going to cost more money to do it than it would cost to maintain it for a little while longer in its present position; we are trying to get the value of some of the institutions that are there now. You cannot salvage a farm and get very much out of it, except from the equipment and live stock. We have a fine big silo and some fine buildings there. We have small fruit gardens and nice surroundings, but you cannot salvage those to any extent. You can get some value from them in the next year or two. But to establish a new farm and move the equipment to it would make such a large additional expenditure that I do not know whether I could get it through the House.

Mr. SALES: Why not close it and save $20,000?

Mr. MOTHERWELL: And move the equipment where? If we are going to do it systematically and properly, we should have a place picked out in the northern part of the province where we would have to buy the land and move the outfit.

Mr. GARLAND (Bow River): Is the minister waiting for the hon. member to select a farm?

Mr. MOTHERWELL: No, I am waiting until I can come down with sufficient money to pay the expense and get sufficient support in the House.

Mr. COOTE: How much equipment has the minister got which he could move to some other point?

Mr. MOTHERWELL We have all the usual farm equipment, the farm tools and the livestock. That is what we could move, and it is very considerable. Secondhand machinery is nearly as valuable now as new machinery.

Mr. COOTE: Would it be worth $20,000?

Mr. MOTHERWELL: Yes it would be.

Mr. SALES: I do not see where the $20,000 comes in.

Mr. MOTHERWELL: Does the hon. gentleman mean that we would lose $20,000 more there than we would lose elsewhere?

Mr. SALES: I have the Auditor General's report here—

Mr. MOTHERWELL: It costs that to operate the institution, and of course there is always a loss. Was there ever an experimental farm in the world conducted without a nominal money loss? We do not expect to get revenue in dollars and cents from experimental farms, but we expect to get a better system of agriculture and information of value to be spread over the entire community. I know some people think we should conduct these farms so as to have a profit. If someone will tell me how that is done, perhaps we could apply the system to some of our individual farms these days and make a profit.

Mr. SPENCE: While not actively engaged in farming, I take a deep interest in the products of the farm. I should like to know whether we are getting value for our money or not. It seems that each and every minister of every department, and every deputy minister as well think they should spend as much money as their predecessors regardless of whether the work is needed or not. I should like the minister to be candid with me in answering questions. I believe he is trying to do the best he can, but I want to get his candid views regardless of anybody else in the party. Is not the minister convinced that too much money is being spent on experimental farms?

Mr. MOTHERWELL: No, there is not, if the number of them is to be maintained.

Mr. SPENCE: Is it a paying proposition to the country to carry on these experimental farms?

Mr. MOTHERWELL: Yes, most decidedly.

Mr. SPENCE: I should like to know something about the cost of operating them and the wage bill in connection with them. What would be the annual wage bill on an average farm?

Mr. MOTHERWELL: I will get that. I would guess, offhand, that the cost would be three or four times as much as that of a private farm of the same size.

Mr. SPENCE: What about the one at Ottawa?

Mr. MOTHERWELL: That costs more, I presume. That has to be kept constantly in shape for receiving visitors every hour of every day of the week, especially Sundays.

Mr. EVANS: I think the time has come when a change of policy should be made with regard to experimental farms. We are top heavy with certain institutions all tending towards agricultural instruction. The old experimental farms did very well in years gone by, and the one at Indian Head served the people at Saskatoon in a very efficient manner. It practically solved the difficulty further north than the real centre of Saskatchewan as the agricultural area now stands. Since then we have established an experimental farm at Saskatoon, one at Rosthern, one at Scott, and I think there is a tremendous overlapping in that line. Yet along other lines of research we have not developed at all. For instance, we know pretty well what we can raise and the best way to raise it, on all the old farms in Saskatchewan; but since the farms have grown older, problems have arisen which were not thought of years ago, and I do not think we are keeping pace with those problems. To-day, on the farms of Saskatchewan there is no product raised that can be marketed in a profitable way. Under present conditions, our dairy products, our poultry, cannot be put on the market so as to bring in anything like a price covering the cost of production. I do not think the minister was justified in discontinuing the experiment as regards chilled beef, and I should like to see more of that work carried on and less of the extension of agricultural work in the provinces.

Mr. CAMPBELL: Before we get away from this chilled beef question, I should like to say something more about it. It is one of the most important problems that we have to deal with in Canada to-day. I am just a little bit astonished that the minister gave it up after only one experiment. I have in my hand a report issued by some gentlemen who were sent over to the Old Country in 1921 by the United Grain Growers. I notice, while they are not particularly optimistic about the prospects for trade with the Old Country at the present time in chilled and frozen meats, they point out that the trade is there, and that we can have it if we will only rise to the occasion. It seems to me that that is what is needed at the present time. They state particularly that the United States packers are able to sell the most of the beef there, because they import it themselvs from the Argentine, Uruguay, and other South American countries, and they maintain selling agencies in the Old Country. It is very difficult, under the rather conservative business methods carried on in the Old Country, for a newcomer to get a foothold. But we must start somewhere, and I think Canadians are not going to admit that they are not just as shrewd business men as the Americans. I do not think they are ready to admit that they cannot go to the Old Country market and hold their own there in the chilled beef industry as well as the Americans. I am going to read an extract from this report regarding the quality of the beef. I have heard it frequently asserted and I have read it in the newspapers that Canada is not able to get in on this trade because she is not able to produce the quality of beef. The report reads:

> The truth appears to be that if Canadian chilled beef were landed in excellent condition and were to reach the hands of the dealer before being damaged by much handling or softened by the climate it would meet with a good reception on its merits, and possibly sell at a somewhat higher figure than its Argentine competitor.

They point out that there are no particular facilities for handling Canadian meat, and I presume the shipment sent over by the Department of Agriculture last year was not carefully handled. There are no proper facilities for handling the chilled beef and getting it through the ordinary selling channels. I am rather surprised to see the minister give it up and turn it down as if there was no possible chance for trade in the future. The report also points out that it will be necessary to establish a direct service between Canada and the port of London. The report continues:

> In quality Canadian chilled beef would have difficulty in steadily maintaining the standard of that from the Argentine. It has the advantage in that it is lighter and also of being at sea for only ten days as compared with twenty-one days.

Anything we might lose in quality—anl I am not prepared to admit that our beef is of any poorer quality than that of the Argentine—we would make up in the shorter time it would be at sea. I have in my hand the accounts relating to trade and naviga-

tion with the United Kingdom for 1923, and I find very illuminating figures in this report. The importations of chilled meat into the United Kingdom during 1923 totalled 7,667,000 hundredweight of 112 pounds. Of that amount, the Argentine supplied over 7,000,000 hundredweight. As regards frozen meat, importations into the United Kingdom amounted to 5,076,000 hundredweight, of which 2,721,000 hundredweight were supplied by the Argentine republic. When we come to live cattle we find that the amount shipped is very small indeed in comparison with the figures for chilled and frozen beef. I have heard it frequently asserted that the British people will not use chilled or frozen meat; they must have freshly-killed beef. These figures, however, show that an enormous quantity of chilled and frozen meat was consumed in Great Britain last year, and the consumption of this class of meat is steadily on the increase. Now it seems a rather serious thing that we are not getting any of that trade. According to the figures, the importations of chilled and frozen meat are increasing in Great Britain, and I would take it that the rather serious economic conditions which prevail there at the present time are forcing the people to buy cheaper meat. Let us analyze the situation with regard to the shipments of live meat. It takes $47 to-day to deliver a steer at Liverpool from Calgary, and figured out on the basis of the price of dressed beef delivered in Liverpool, that works out at 8 cents per pound. I do not think that the British people can afford to pay that price for meat and I do not think they will continue to buy it. We cannot look for a market for live beef in the United Kingdom, and it seems to me that this is a matter to which the minister should give his very serious attention. We have in Great Britain a High Commissioner who has, I believe, a staff of two hundred as reported in this morning's paper. A few nights ago we voted over a million dollars to provide offices for these officials, and I notice in the estimates that there is provision for $10,000 for the salary and expenses of an agricultural produce marketing agent in Great Britain. What have we an agent in Great Britain for? What have we a High Commissioner for? If we analyze our sales to the United Kingdom we find that, with the exception of grain, practically everything has dropped off, and this decline is annual. Our butter sales, I think, have dropped from 17,000,000 pounds to about 4,000,000 pounds that being the last figure for the year 1923. The same is true in regard to eggs and most other commodities. That is one respect in which I think governmental supervision is necessary; we need a selling agency to dispose of our products in the Old Country, and I hope the minister will give the matter his most serious consideration.

Mr. MILLAR: What has been the reduction in connection with the experimental farm at Indian Head? I have lived beside that farm for some twenty years and I have seen it advance from the early stages, which have been very well described here, when it served a useful purpose, until, as the farmers became acquainted with and adopted the cultural methods that were demonstrated by the institution, it gradually lost its usefulness. During the last few years the minister has adopted the method of using the farm for the production of foundation stock, and on this farm to-day there is a very large herd, in fact all that the place will accommodate, of the finest stock. Like an hon. gentleman who spoke on this subject a short time ago, I am not over optimistic about the success of this undertaking. It would seem to me, since there is the very best stock available throughout the country, that animals might be purchased more cheaply than they could be raised on an experimental farm. However, I am willing to see the minister get a fair chance to give the thing a reasonable trial. The suggestion has been made, indirectly if not explicitly, that this farm of which I speak should be scrapped. But, as it is one of the older farms, the opinion is held by some that to scrap it would mean a very great loss. Even so, it might be a wise thing to scrap it, if it is never going to be useful again. I am not yet sure, however, that the farm could not be made to serve a useful purpose. I think that if, on the older farms, efforts could be concentrated on experiments of an entirely new character instead of carrying on simply the work that every farmer around is engaged in, considerable results would be achieved. Attention could be devoted to solving the problems of the farmers which the individual cannot solve for himself. For example, experiments might be conducted in connection with the shipping of chilled beef. Then there is the rust problem. Rust has been the source of enormous losses each year, and experiments in the direction of its control would be valuable. I rather think that in the future the minister might be able to introduce experiments along that line which would be well warranted. I admit that at present this particular farm is not giving the results that should warrant the expenditure that is involved in its operation, which expenditure last year amounted to $48,-

000. But I have not yet reached the conclusion that it should be scrapped. If nothing more can be done to enhance its usefulness I may be forced in time to agree with hon. members who advocate its abandonment; but just now I cannot agree that this would be wise.

Mr. MOTHERWELL: Before I refer to the suggestions of my hon. friend (Mr. Millar) I will reply to the hon. member for Parkdale (Mr. Spence), who asked for the wages that have been paid on the farms. We have not the figures for the past year, but if the hon. member will take a pencil and a piece of paper I will give him the figures for a typical farm, for instance, the one at Brandon. It is divided into branches, such as animal husbandry, field husbandry, and so forth.

Mr. SPENCE: It would take all day to go over the whole list.

Mr. MOTHERWELL: The wages under the head of animal husbandry were $4,500.

Mr. SPENCE: I asked a fair question, namely, what was the wage bill?

Mr. MOTHERWELL: I have not the figures for last year; these are estimates for the coming year. But the figures all relate to the same farm. If the hon. member wants the figures for last year I will take a memorandum of his request and submit them later.

5 p.m.

Mr. SPENCE: Leave the matter until the next sitting and give us the information en bloc so that we may fully understand it.

Mr. MOTHERWELL: You want it for last year?

Mr. SPENCE: Yes.

Mr. MOTHERWELL: For all the experimental farms?

Mr. SPENCE: No, just for the one I mentioned. I want some information as to the cost of overhead and I suggest that you take the Central Experimental Farm in Ottawa.

Mr. MOTHERWELL: The hon. member wants the wage bill?

Mr. SPENCE: Yes; I want to know what was paid out. Surely the department can give that information. If I were running a business and could not give the overhead cost I would stop running it.

Mr. MOTHERWELL: These are estimates for the coming year, but I will bring in the information later on which my hon. friend wants. If the hon. member asked for the wage bill of ten years ago he would not expect to have it right off the bat.

Mr. SPENCE: I hope the minister will not think that I want to embarrass him, but I want to get the information which I think this House is entitled to.

Mr. MOTHERWELL: I will try to get it.

Mr. SALES: The minister has not answered my question yet.

Mr. MOTHERWELL: One at a time. In reference to the remarks of the hon. member (Mr. Campbell), I may say that no one was more surprised at the result of the chilled meat experiment than I was. I am running the risk of offending the leader of the opposition (Mr. Meighen), who did not like my former efforts; but inasmuch as he is not here it will do him no harm. We shipped these three classes of meats—stores, fats, and chilled beef. The stores netted, on the basis of Saskatchewan prices, 8.58 cents a pound. The fats, killed immediately on arrival in the United Kingdom, netted 6.73 cents, or a little over 1 4/5 cents less than the stores—the same class of cattle, as near as could be humanly classified. The same class killed at Montreal and shipped as chilled beef, of the same weight, 1,200 pounds in round numbers, netted 2.96 cents, a trifle less than 3 cents a pound and a half cent more than the Argentine frozen beef. Of course there is a market in Great Britain for anything that is edible, at some kind of price. We had to enter into competition, as I say, with the Argentine frozen meat, and we got from one-half cent to a cent more for it. But we netted only 2.96 cents per pound at the point of shipment in Saskatchewan. Well, that is disappointing. I am not making a case out against it, but the experiment was made to remove the uncertainty as to whether the packers were telling the truth.

Mr. SPENCER: Why was there that big loss? Do the people who are shipping from other countries sell as cheaply as indicated by the minister's figures here?

Mr. MOTHERWELL: The freight rates from Argentine may be cheaper, I do not know, but I do know that they can raise beef cheaper and that they raise it in larger quantities, in large herds, the way we used to do it in the West twenty years ago. At that time we had the very finest male animals to breed from, but the herds are now cut up into such small groups that the owners cannot afford to keep proper male animals and the result is we have not the quality of stock

that we had twenty or thirty years ago. That is one reason; but the fact remains that this was chilled meat, not fresh meat. It has to be chilled for two or three days on this side before it can be shipped and by the time it gets to the other side it is twelve or fourteen days old. It is in good condition, but it is chilled meat and it does not bring the price of freshly killed meat. If our northern route via the Hudson Bay ever becomes a reality and fulfils the expectations of those who are strong believers in it, it will be a profitable route by which to ship chilled beef, because it is short and cold and will get the meat to its destination in better condition. But there is the actual result, and it was so staggering to me that I did not consider we were justified in spending at this time the additional $25,000 that was voted to continue that experiment.

With regard to the Indian Head farm, I suppose there is not a farm in the whole system that has more good work to its credit than that one. In recent years, however, owing to the number of difficulties to be contended with, the cost of operation has been exceedingly high. One reason for this is the high cost of labour and sometimes the inefficiency of labour. In addition, the shelter belts have been attacked by plant lice. Everybody in the West knows of the plant louse that attacks the box elder, the Red River maple, and so on, and its effect is such that a shelter belt which it has taken twenty-five or thirty years to grow may be destroyed so quickly that you cannot get your spraying appliances to work before the damage is done and the trees are entirely defoliated. That is also the home of brome-grass, which is a very difficult weed to eradicate, as it grows among the trees where you cannot get at it. Between the plant lice and the brome-grass the shelter belts are being killed; the trees have had to be cut down and replanted in many instances, and that costs a lot of money. Those who have ever had the contract of keeping a shelter belt in that country in good condition will know something of the almost prohibitive cost involved in connection with the operation of a section farm with a belt nearly all around it, with the fields cut up into patches of ten or fifteen acres having rows or avenues of trees around them. A lot of these trees, we believe, should be taken out. They will not rot like an ordinary tree; they start to grow up again; you have to pull them out and that costs a lot of money. But in spite of that the Indian Head farm is the surest-crop farm of the West; when we want to be certain that we shall have a proper multiplication of any new variety of seed which is developed at Ottawa we send it to the experimental farm at Indian Head. There is less loss there, less disaster, and fewer setbacks than in any other farm we have. Every farmer has experienced in his own operations another difficulty we have to face and that is the high cost and inefficiency of labour. In addition to that we have to get our chief men through the Civil Service Commission. What with farming by proxy two or three thousand miles away, getting your men through another body, it is no wonder we do not get one hundred per cent efficiency from our labour.

Mr. BEAUBIEN: Is the ordinary labour on the experimental farms hired through the Civil Service Commission?

Mr. MOTHERWELL: No, by the superintendent. I was referring to the higher officials, and that, after all, is the determining factor; the success of a farm depends very largely on the efficiency of the superintendent and his assistants, who are appointed by the commission. I may say to the hon. member for Qu'Appelle that I hope before long to have some change made in the organization and possibly in the personnel of the Indian Head farm that will look to a betterment in that direction. My hon. friend has said that it is not in the best condition, but there have been reasons over which even the superintendent had no control, chiefly the insect ravages to which I have referred.

Mr. MILLAR: I think the minister took me up wrongly. I do not wish to cast any reflection on the condition of the Indian Head experimental farm. I was simply pointing out that as the years went by the farmers around began to copy from the experimental farm, to work after their methods, and that in that way the farm gradually lost its usefulness.

Mr. MOTHERWELL: I think there is no doubt about that, and that is the reason they are drifting into the raising of live stock. They have out there the best herd of milking shorthorns that we have in our whole system, and also a number of very fine Clydesdale horses. Experiments are also being made with a view to determining a system of rotation of crops. If there is anybody in this chamber who knows of a proper working system of rotation of crops, a three, four or five year rotation, including grass—getting the grass without losing the whole year in seeding it down—and if that system has proved successful in the open prairie, I will look upon him as a public benefactor if he will disclose it to me. In this part of the country you know how the

seeding down is done. Maybe your clover is seeded in the spring at this time of the year, but your timothy and other grass seeds will be sown with your grain. In the district of my hon. friend, up in Mackenzie, I think you could seed down with a grain crop for many years, and the same is true of some places in Alberta, but five years out of six, and this is according to the experience of Angus McKay, you have to seed it alone, and that is a mighty expensive undertaking. The result is that experimentation along the line of getting a proper rotation of crops, including grass, is a very important work, and we are conducting that work with the hope of being successful. There are some things we have found out already, what grass and what clovers will catch the easiest with the grain crop. Sweet clover is one of the grasses you can seed with grain with the best chance of success. Rye grass is more likely to be a success in being seeded down with grain than brome grass. These things we have discovered, but we have not yet solved the whole problem of a proper rotation. I do not know if anybody knows the solution, but if they do, we shall be glad to know it, and shall certainly make use of it.

Mr. KNOX: There is another point in connection with some of the experiments carried on at these farms that I would like to mention, and that is in connection with the feeding of cattle. I have had the opportunity of seeing the experiments carried on at Rosthern farm. At the present time they have several pens of steers there feeding. I see by the Auditor General's report that two years ago they experimented with sixty-six steers. These were bought on the open market at the stockyards. I do not know whether it was at Winnipeg or Prince Albert, but they cost laid down at the farm $2,025.42. They were fed from the beginning of the winter to the end, and the sale of beef at the end realized $5,234.18, considerably more than twice the cost of the steers. Of course, you will understand that the feed was raised on the farm, and there would be considerable cost also in regard to labour; but this is something that I think could be considered, especially at the present time when we are trying to go into the raising of beef more extensively.

While there has been considerable criticism of Rosthern being situated too near to Saskatoon, and I am quite satisfied that a mistake was made in the first place when that location was selected, because the district is very nearly the same as that surrounding Indian Head, if there is any suggestion of removing the farm, and it should not be closed up entirely, it should be taken further north, because the northern country has nothing in the shape of an experimental farm whatever. I do not think you will find a district equal to that in productiveness in the whole Dominion that has not an experimental farm situated somewhere in it, and if a change is made the farm should be located further north.

Mr. PRITCHARD: I think we are getting a little away from the text. We are dealing with an item of $1,400,000 for the experimental farms. I have always admired the work of the experimental farms. I think we have a great deal of help from them. I live in a county, in Wellington, where perhaps we had the first real test of an experimental farm operating, and I have watched the results, for after all it is by their fruits that we should judge in these things. Last August I left my own county and went up to Winnipeg, and when I arrived there about the 10th of August I could not help but remember what the Solicitor General had said in this House last year. I did not wonder at him making the speech he then made when I saw the conditions around Winnipeg, and I naturally asked myself the question, what are we doing with these experimental farms? I left the county of Wellington in Ontario, where weeds were growing thick all over the country, where cattle were being bred indiscriminately, and where, as one hon. member remarked a little while ago, the cattle were not as good as they were thirty-five years ago in that county—whether that is the fault of the experimental farm or not I do not know, but that condition exists—and when I got to Winnipeg, there right beside the market, from one thousand to fifteen hundred miles nearer the market than the points where you are establishing these experimental farms, I saw land that was dirty with weeds. Now if we cannot get the land that is right close to the market cleaned up and made fit for growing crops, why should we be building railroads two thousand miles away from the market to establish an experimental farm there? In the county of Wellington the land will produce as good crops and as profitable as the fertile plains of the West if it is handled properly, and that land is right at the market. Why is that land allowed to grow dirty and remain idle? I do not like to speak disparagingly of the experimental farms, but we are dealing with this item of $1,400,000 for experimental farms. I remember last session in this House

when the item came up for the Scribe Hotel in Paris there was a good deal of debate over it, and my opinion was that Sir Henry Thornton is responsible for the management of the roads, and when we come to reckon with him we can deal with that matter. I for one did not know anything about that transaction, whether it was good or bad, but to-day we are dealing with experimental farms, and here is an item of $1,400,000 for that purpose. Cannot we reduce it without hurting anybody? I believe that is possible. I do not believe in unduly curtailing the work of the experimental farms, but as I suggested to the Minister of Agriculture last year, why not establish a farm and run it and finance it out of their own funds in each county in this country. I have talked this matter over with professors in agricultural colleges for the last thirty-five years, and they have positively refused to heed my suggestion. They cannot do it, and they will not attempt to do it. If they cannot do it and will not attempt to do it, why not cut out some of the expenditure on experimental farms so far as ordinary farming operations are concerned? I understand that at the Experimental Farm at Ottawa they have a herd of dairy cows, and I would like to know if they are paying. As far as I can gather from the reports of the general farming operations of the experimental farms, these farms have seldom if ever shown a profit. Why not curtail these expenditures if that is true, and if that herd of dairy cows is not profitable, cut it out and go on with other work. If we cut out this item it would be quite a consideration, and I think it is quite possible to do it and the farms still do work that is really worth while.

As I said before, I do not want to disparage the work the experimental farms are doing, but I do feel as some other hon. members have said, that there is overlapping at the present time, and I feel that if the work of the Dominion experimental farms was turned over to the provinces it would be better. You could give financial aid to the provinces that are not getting their share. I understand there is some complaint on the part of some of the eastern provinces. I feel that by carrying out the suggestion made we can eliminate a great deal of overlapping. There is another item in the estimates for agriculture which causes more overlapping than is necessary but I will deal with that question some other time. I merely throw out this suggestion, in common with other speakers, so that the Minister of Agriculture when he next brings down his budget to provide for the needs of agriculture may eliminate some of this unprofitable work. If the work of the experimental farms cannot be made to pay there is no use in carrying it on. If it can be made profitable then illustrations should be given in different sections of the country so that the farmers may adopt the same methods in their own farming operations. The trouble is that a prejudice against the experimental farms exists in the mind of a certain class of people. So deeply rooted is this prejudice that these people will not even read the literature which the farms send out. I should like to see work of a practical and effective nature carried on so that the farmers might be educated along really successful lines.

Mr. SALES: I wish to make a few more remarks about the Rosthern farm. The hon. member for Prince Albert (Mr. Knox) points out the difference between the cost of certain steers and what they were sold at. There have been thirty-six men engaged as labourers at that farm at a cost of $12,784.39—that is for labour alone. In addition we have a superintendent at $3,107.35; an assistant to the superintendent at $2,085.20; a farm foreman at $1,648.25; and a stenographer and bookkeeper—I do not know what for—at $1,410.35. The hon. member for North Wellington (Mr. Pritchard) said that we shall know these farms by the fruits which they produce. I notice that more money was spent for bulbs than for binder twine—binder twine, $69.75, bulbs from Holland, $99.42. I notice also $85 for a No. 19 Buckeye brooder and No. 5 incubator bought from some man at Qu'Appelle. I suppose they had to bring that machine from Qu'Appelle because they could not find one convenient to Rosthern. Just at that point—I do not notice any results from the brooder or the incubator; I cannot find any return for chickens or eggs. Is it any wonder that farms managed like this do not pay? Take the expenditure of $99.42 on bulbs. I like to see flowers and pretty surroundings as much as anybody, but I think it is going too far when we pay out $99 for bulbs and only $69 for binder twine. Is it not possible that the work of the farm at Rosthern can be carried on as well or better at Saskatoon? I would remind the minister of the other question of mine which he has not yet answered, regarding the importation of live stock from the Old Country—what the importation consisted of and what the cost was.

Mr. MOTHERWELL: While the figures asked for are being assembled let me answer some of the questions of my hon. friend (Mr. Sales). With regard to the purchase of bulbs. I can quite understand that perhaps

more attention is being paid to horticulture now than was formerly paid. I will tell the committee this: When the question of closing the farm at Rosthern was first mooted two years ago, with the idea of moving it north, a number of very constructive suggestions were made from various quarters with respect to what disposition might be made of the farm. Among others I had suggestions from a gentleman whose name I think I might give. He is quite an active and responsible man and very much interested in horticulture.. I refer to Mr. Chipman, of the Grain Growers' Guide. He has done considerable work up in that country in connection with the dissemination of information in reference to fruits and cereals. His suggestion was that we convert that institution into a fruit farm for the purpose of demonstrating what can be done in the matter of growing fruits in the northern parts of Saskatchewan. We have not yet decided what we shall or shall not do. In the meantime we are discussing what possible use this farm can be put to, or whether we should close it up entirely. My hon. friend should understand that you cannot do these things overnight without incurring considerable loss. Before you close this farm you must have your new one selected. That is a systematic course to pursue.

Now, with regard to live stock. The animals we shipped over were largely hogs and sheep. My deputy tells me there were some cattle, and I will quote a few of the purchases from the record:

Barr, Thos. Monkton, Scot, 1 heifer, $243.33.

Mr. SALES: Shorthorn?

Mr. MOTHERWELL: No, an Ayrshire heifer.

Buttar, Thos. A., Coupar Angus, Scotland, 5 Shropshire rams.. .. .. $851 67
Dudgeon, A. M. Dalmeney, Scotland, 2 boars and 2 gilts.. .. .. 462 33

And the list goes on to quite a considerable extent.

Mr. SALES: If the minister would tell me what document he is quoting from I will get a copy of the report myself.

Mr. MOTHERWELL: These details are to be found at page A-32 of the Auditor General's Report for 1922-3. One of the primary purposes of getting that shipment over was to introduce some new Tamworth blood among our various herds of Tamworth pigs, especially throughout Ontario and the West. This type is looked upon as an A1 bacon breed. There is a good deal of prejudice against it because of its long nose and light shoulders, but these features are not disadvantages but advantages when it comes to raising bacon hogs. In this country there has been so much inbreeding for the want of new blood by importation, that it was thought advisable to get a number of these animals over. We brought over not only hogs, but a number of sheep and cattle as well to replenish the blood of the various herds throughout Canada, surely a most proper expenditure.

Mr. McQUARRIE: I should like to follow up the questions asked by the leader of the opposition. That is in regard to the very substantial decrease in the agricultural estimates for this year as compared with last year. The leader of the opposition pointed out that there had been a decrease of, I think, $1,600,000. In connection with that decrease it seems to me one matter requires consideration, and that is the grant for agricultural education which was $1,000,000 a year, I think, for the last 10 years. I would like to ask the minister to be good enough to enunciate the reasons which prompted the government to discontinue that agricultural educational grant. It seems to me that other things might have been discontinued. I quite agree it is necessary that economy should be practised, but I do not believe this kind of economy should be practised by the government. I may be mistaken, but I am given to understand that the government adopted this policy contrary to the express recommendations of a majority of the members of this House. I am told that letters and telegrams were sent to the minister by practically every member of this House recommending a continuance of that grant, and that similar recommendations were received from all the important public bodies of this country. I think that at this stage of the history of our country we have to consider what is necessary to make it profitable or to make it possible for the people to remain in this country, instead of leaving for the United States or some other place. Much money is being spent by the government in attempting to bring immigrants to Canada. What in the world is the sense of spending money in that connection, unless immigrants are going to stay in Canada when they arrive here? What is the sense of spending hundreds of thousands, perhaps millions, of dollars, to make Canada a stopping place for people who desire to go to the United States? In that same connection, we cannot expect all the immigrants who come to this country to make a living in the cities, and it would not be desirable that we should endeavour to get them to go into the trades in the cities, many of which are overcrowded

at the present time. There is in all the cities a certain amount of unemployment, notwithstanding the fact that so many have gone to the States and elsewhere. It is necessary, as I see it, to encourage people to go on the farms, not only to go on the farms, but to show them how they can make a decent living on those farms, and to show them how to farm scientifically; and not only that, but to show them how to sell their products scientifically, and how to go into the right lines of agriculture. I think it was a great mistake for the government to discontinue that grant. I am not speaking now altogether from a provincial standpoint or from the standpoint of the province of British Columbia, because the proportion of the grant which we got was very small indeed, I think only about $60,000 or $70,000 a year. But still, even at that figure, a great deal of good was done. I am looking at the matter from the standpoint of the whole of the Dominion, and I think that the kind of economy which prompts the government to cut out a grant in aid of agricultural education is the last kind of economy that should be practised. We have heard a great deal about economy, but if the government is going to practise economy, why not start out with matters like the Scribe hotel in Paris, and the purchase of fancy building sites in the city of London and that kind of thing?

Mr. MOTHERWELL: What about the tower?

Mr. McQUARRIE: Why not start on something of that kind?

An hon. MEMBER: Or the drydock at Esquimalt.

Mr. McQUARRIE: Or on the government buildings at Ottawa. I say the last place we should try to practise economy is the place where that kind of economy is going to retard the advancement of our country. Canada, as a matter of fact, has only been scratched, and the question is, are we going to scratch it in the right way, or not? That is a matter on which the government should instruct the people of this country. The minister to-day recognizes the responsibility of the federal authorities in that connection. He stated quite candidly that the policy of this government, the same as the policy of other governments, was not to ask the provinces to undertake the whole responsibility in this connection. I would like the minister to explain the reasons why the government discontinued this grant in aid of agricultural education.

Mr. MOTHERWELL: Might I suggest that that question should be better taken up at the end of the estimates, where the elimination of moneys that were in the vote last year takes place? Then it will come in order. I am afraid the Chairman would call us to order if we began discussing that question on the item for experimental farms. It can be discussed quite properly later on; although there is no vote this year, there is a place where it was voted last year. There is an item there which reads "Amount not required this year", and if my hon. friend does not object we can defer this matter as I suggest, and keep it in its proper place.

Mr. McQUARRIE: On some other occasion?

Mr. MOTHERWELL: Yes, at some other sitting. It will come up at the very last, "Appropriations not required for 1924-1925, $951,000". Will that be satisfactory?

Mr. McQUARRIE: Yes, if I could have some previous intimation as to when it would be called.

Mr. MOTHERWELL: If the Chairman will let us discuss it now I would not object. I think we have been discussing experimental farms, and I think my hon. friend had a question in connection with that. I think he repeated a question I thought I had already answered—why can we get along this year with $125,000 less than last year? Last year the vote was $200,000 more than the previous year. We had that $200,000 additional last year, and it was for some of the more pressing works that had been neglected during the war period. Having completed the more pressing works, we can relax a little, particularly as the whole Dominion of Canada is demanding economy all along the line. The cut is made in response to a demand to cut down at every point, consistent with reasonable efficiency. We had an increase last year which enabled us to put a lot of the farms on their feet—not entirely, but in some respects—especially in the Maritime provinces. Now that that has been done and the demand for economy has increased in intensity, we respond by saying that we will try to get along with $125,000 less, and we think we can do it by cutting out here and there, as we have intimated during the discussion.

Mr. GOULD: This is one of the most interesting farmers' institute meetings that I have been at for a long time. The minister has asked for suggestions, and I am sure he is quite satisfied that he has been receiving them, just the same as we are pleased to know that we have all been receiving suggestions. The thought which comes to my mind originated with the fact that, upon looking at recent maps issued by the Department

of the Interior, I found here and there dotted all over the settled areas, parts of the country marked out as being best adapted for mixed farming, straight grain growing, fruit farming and various other things. That gave me the thought and idea that the provinces might better take hold of the work of experimental farms, almost in toto, with a line of demarcation between provincial and federal work. The provinces themselves might be held responsible for and given control of all activities in connection with stock. We find different breeds of stock in various parts of the country, and the provincial government themselves might better be given authority to engage in that kind of work. That would take away much of the responsibility from our Central Experimental Farm. I also believe it would give to the provinces themselves more concern in and opportunity of doing the work much better. I would illustrate that in this way, that they are nearer to the work, and we could have quicker action in endeavouring to control individuals who would be responsible for that work. If I might be allowed another word in illustration, I would add the next word in the estimates, "entomology," suggesting that the line of demarcation between the central and provincial farms might be well drawn between these two lines; that at the Central Experimental Farm, where reciprocal work with Europe and other countries could be carried on, our observatories and laboratories could be maintained, but the provinces could have control of live stock, seed, feed and such things as that. Undoubtedly our provincial officers make mistakes at times, and the thought that comes to my mind in that connection is certain advice that we received some years ago in Saskatchewan regarding conservation of moisture. The minister will remember the advice that was tendered to harrow, harrow, harrow until we were satisfied that we had harrowed enough, and then to harrow once more. Many of us followed that dictum, and the result was the majority of our mulch was crowded up on the fences, along the roads and across the prairies. The farmers, however, remedied that. Experiences taught us about as much as the Department of Agriculture. When the hon. member for New Westminster (Mr. McQuarrie) complains that the grant has been reduced, I would say that we are prepared to accept that reduction quite graciously. We can charge that to the fact that possibly the members of the minister's staff have realized that in the past there have been extravagances in connection with our experimental farms. Proof has been given from this side that such extravagances have occurred. If this decrease of $125,000 in the first item is an acknowledgement of that, we accept it with all graciousness. I contend that the item can be still further reduced and the same efficiency retained,—indeed, perhaps, with an increase in efficiency. I am sure the minister will accept the advice that has been given in good faith, and will endeavour to see if further reductions cannot be made without any sacrifice of efficiency. I would recommend that he look seriously into the question of having a line of demarcation between the work of the provincial farms and that of the Central Experimental Farm in order to prevent the overlapping which takes place and which has taken place ever since we have had experimental farms, and endeavour in this way to reduce materially the expense of carrying on all educational work and other activities in connection with agriculture.

Mr. BRETHEN: Is the grant for illustration farms included in the first item? I think there are a hundred or more.

Mr. MOTHERWELL: Yes, that comes under this item. I understand the hon. member to refer to the forty-eight illustration stations. I might reply to the hon. member for Assiniboia (Mr. Gould) by thanking him for his suggestions, because they are really constructive suggestions. To some extent I have been discussing these matters in the past two years with the provincial authorities, but they have been exceedingly shy about taking up any of this work. I am sure the House can understand why. They ask themselves: "As long as the federal government are doing this work pretty well, why should we incur the additional liability?" During the coming recess we expect to have a conference with the respective departments of agriculture of the three provinces which I have already mentioned—Alberta, Saskatchewan and Nova Scotia—looking to still closer co-operation, the probable elimination of some of the work which we are doing and leaving it to the provinces. Then, possibly as time goes on, something will develop, especially in the West, so that we shall be able to get the location for the new farm and move the Rosthern farm. In Alberta, there is not very much agitation that I know of for moving the Lacombe farm. It is doing pretty good work and it is one hundred miles from Edmonton, where the nearest farm is. At the same time this will altogether depend on another year. Last year I made a statement with regard to the Agricultural Instruction Act; that what we would do with it this year would depend

entirely upon the financial condition of the country and what we felt we were able to cope with. So we can live only from year to year during these times. I will promise the hon. member for Assiniboia that before anything drastic is contemplated, in fact, whether anything drastic is contemplated or not, we will confer with the respective governments of those provinces with a view to eliminating this overlapping. It is, however, unavoidable that there should be overlapping, and there always will be some as long as the two institutions are in existence.

Mr. McTAGGART: Will the minister indicate the amount of research work being carried on at experimental farms with respect to arresting the ravages of rust?

Mr. MOTHERWELL: I have to thank my hon. friend for asking that question, because it draws attention to one point at which we co-operate with the provincial authorities more than at any other. We have been doing research work in connection with rust in conjunction with the provincial authorities of Manitoba and Saskatchewan. We have one or two of a staff. We have a Mr. Fraser who has charge of that work at Saskatoon. We get the use of their greenhouses and plots for the purpose of carrying on that work, while we supply the man. We are doing the same work in Manitoba. We have been criticized, though not severely, for not going into that work more strongly and getting facilities of our own all along the line. That advice sounds good, but if we did do that the chances are that we should be obliged to withdraw from the other, because I do not think it would be a good idea to carry on the two concurrently—that is to say, independent work of our own and other research work, with wheats particularly—in conjunction with the provinces. That would be a double system which in my opinion would not be wise. So that up to the present our chief activities in connection with this research work have been in co-operation with the provinces, who have facilities in the way of greenhouses and so on which we have not. We have a small laboratory at Indian Head but it is more or less primitive and cannot be said to do much along that line. We are keeping close tab on similar work done in Dakota and other parts of the United States. More has been discovered regarding rust in the last ten years than was known previously, and a number of varieties of wheat have been found to be almost entirely resistent to all varieties of rust. There is one variety of cereal known as Kota which was developed on the Dakota experimental farm under the supervision of Professor Bolling and Mr. W. R. Porter, and I see by the Winnipeg newspapers that it is claimed to be 90 per cent resistent. I think that possibly they are a little enthusiastic; I do not believe that we have found a wheat that will entirely resist all the known varieties of rust, and even if we do discover such a wheat there is still a tremendous amount of work to be done, because you have to breed into that variety, in addition to resistence, the qualities that give good flour and prolific yield. Then there is the question of maturity to be considered, and all that sort of thing. It is obviously, therefore, a matter that requires a great deal of care and attention, and I should be sorry to see an end put to the work that we have been engaged in during past years in co-operation with the universities at Saskatoon and Winnipeg. The matter, I may say is in a tentative state; we have not yet decided on what lines we shall advance, but we must continue in some direction.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. WHITE: Last year there was a clause in the budget, which afterwards crystallized into an act of parliament, providing for a bounty on hemp with a view to the establishment of a binder twine industry in this country. I was wondering whether the minister could give us any information as to the success of that, or whether the experimental farms were doing anything toward providing information as to the production of hemp.

Mr. MOTHERWELL: Last November when I was passing through Winnipeg I had some information with regard to a certain company that was endeavouring to organize for the purpose of taking advantage of that bounty. They were on the point of being able to float their bonds, but a number of political changes occurred in the Old Country, the bond market was affected and they could not carry out their purpose. I have recently been told, however, that things look hopeful for the floating of the bonds and the establishment of a hemp industry in the vicinity of Winnipeg under the terms laid down by the bill that was passed last session. These were the factors that influenced the matter; and it was suggested further that the assistance was reduced to such a low point that the conditions were not as attractive as they might be in the matter of securing the necessary money. In the meantime we have continued

to grow hemp at the various experimental farms and some retting was done at the Central farm to preserve the continuity of the experiments looking toward the establishment of an industry. In view of the amount of cordage and twine we have to import and the facility with which we can grow raw material, anything we can do to promote that industry certainly deserves our attention.

Mr. WHITE: Would the minister be disposed to support an increase in the bounty for next year?

Mr. MOTHERWELL: It runs, I think, from year to year.

Mr. WHITE: On a gradually decreasing scale.

Mr. MOTHERWELL: Yes, gradually decreasing to almost zero. It starts at a cent and a half and reduces by a quarter of a cent until it disappears.

Mr. TOLMIE: One of our good friends to the left said during the afternoon that poultry raising did not pay in Saskatchewan. I presume he included with that poultry products. What is the experience on the experimental farms with regard to whether or not poultry pays in Saskatchewan and elsewhere?

Mr. MOTHERWELL: Poultry has developed into one of the most profitable branches of farming, not only here but in other parts of Canada. During the last two years Saskatchewan has become the second largest shipper of poultry and poultry products in the Dominion, Ontario being first. In the United States the egg crop alone is worth more than the entire wheat crop of that country, showing the wonderful strides being taken in the poultry industry not only here but over the entire continent. Wherever there are facilities for taking care of the flocks, farmers and fanciers have found poultry raising very profitable. In the pioneer days the man who had not a basket of eggs and a tub of butter had very little to rely on, and now there is a good cash market for these products.

Mr. CAMPBELL: I do not want to permit the minister to forget this chilled and frozen meat business. I am not entirely surprised that the trial shipment made last summer was not a success. Imagine a new country starting grain growing and trying to put on the European market a trial shipment of grain without up-to-date elevators, without boats properly fitted, without proper facilities at the other end. I can quite conceive of business of that kind being handled at a distinct loss. When we ship live cattle over to the Old Country there are proper facilities for handling them and for putting them on the market, but as I understand the situation the facilities with regard to chilled and frozen meat are all owned and controlled by United States packers If we sell through them, naturally they are going to see that we do not make anything out of it. This is one of the most serious conditions that we have to face to-day, and I hope the minister will give the matter more attention and not drop it at this juncture. Perhaps he could give us some information as to this particular shipment; how it was marketed in the Old Country—because I think that is the big problem—to whom it was sold, and whether the shipments were traced right to the actual buyer. I have read that trial shipments of that kind were sold to small dealers who did not have proper facilities for keeping chilled meat. They would lose a large percentage of it and could only handle it if they allowed in the price for considerable loss. If the minister could give us some information along this line I think it would be of interest to the committee.

Mr. MOTHERWELL: In anticipation of this matter creating a great deal of interest we issued a bulletin dealing with this shipment in detail, and I shall be glad to provide my hon. friend with a copy, because it goes into it much more exhaustively than I could.

With regard to the disposition of the meat in the Old Country we disposed of it under the most favourable conditions possible. We went on the ordinary produce exchanges and the butchers from the whole countryside were bidding for that meat in competition with the meat from other countries. We had this meat in the hands of a man who knew the business acting on our behalf to see that we got the last cent for it. I am not surprised that my hon. friend should wonder if every detail was properly looked after, because I must admit I was astonished at the difference in value of these animals when sold alive and as chilled meat. But here is a point that must be apparent to all. When you arrive with chilled meat on the British market it will be from twelve to fourteen days old, and you have to sell it very quickly whether there is a bidder or not, because it is in such a condition you are not able to keep it much longer. You have either to sell it or freeze it, and if you freeze it, it is in exactly the same class as the Argentine meat, and maybe not so good; so you have not the same chance of getting your price

for chilled meat as compared with the animal that is alive. If it is a steer of the proper type and breeding that goes over there, if it goes on the pasture and puts on beef rapidly, the man who buys that animal can keep it and wait for his market. He has more to say in the value of it than one has in the case of chilled beef; because if the market does not suit him, the animal is alive and can be kept, and if it is a proper animal it will get heavier and more valuable if it is kept, whereas with chilled meat you have no choice except to sell it or freeze it.

Mr. CAMPBELL: What is the difference between the price per quarter for chilled beef and fresh beef on the British market?

Mr. MOTHERWELL: I have already given those figures, I think. The chilled meat by the quarter brought as close as possible to fourpence halfpenny, and the fresh meat just about twice as much as eightpence.

We have distributed a great many copies of this bulletin, which goes into the minutest possible details. We could have conducted a second shipment; in fact, it was my idea to continue to remain on the market if we had money enough for three or four months to break down the prejudice against chilled meat and demonstrate to the buying public right there, even if we lost a little money, that this was a good article. But you have some contract if you are going to undertake to educate and cultivate the taste of the United Kingdom. They had a taste long before I had, and it is far better and cheaper to try and meet their taste than to undertake to change it in regard to meat or any other product. So I felt, in view of our experience and the experience of the Harris people, who had continued their shipments for two successive years and lost $30,000 per annum in the experiment, that it was hopeless to continue, because we had just repeated their experience. I had not enough money in sight to continue, and we simply did not spend any more money on it, although we had the vote of $25,000 passed last session. We simply experimented with our own cattle, and quit after that experience.

Mr. KNOX: Would not the experiment of handling only fifty carcasses be a great deal more expensive than if a much larger shipment had been made?

Mr. MOTHERWELL: As a rule, volume counts, but we got a very favourable rate on this shipment. It was killed in the abattoir of the Canadian Pacific Railway in Montreal, and they gave us very favourable terms on it because they also were interested in the shipment. The shipment cost us just as much per hundred as if it had been twice as large, and when it went on the market over there it was hung up in one or two exchanges in competition with the meat from other countries and was handled as carefully as possible, because we were naturally desirous of having it make as favourable a showing as possible, and we gave it every opportunity. The three lots were divided so as to make them as nearly uniform as possible in condition and quality. I admit that you could arrive at more definite conclusions if you could continue the shipments over a year; there is no question about that. There will be a certain amount of prejudice that you will be able to remove by the continuity of your shipments of good meat, but it would take a lot of money to do that.

Another feature I might mention is that the better the meat was the more disposed the tradesmen were to pass if off as fresh-killed meat; so there was that difficulty too. Possibly, we could not prove it but some of the best of it was no doubt sold in that way. You know how these things go; the better it is the more tendency there is to palm it off as fresh-killed meat after the tradesmen have got it, but not when they are buying it.

In reply to my hon. friend's question, the meat sold for 4s. 2½d. per stone, or 12½ cents per pound, for the hind quarter, and 2s. 0½d. per stone for the fore quarter. I was more disappointed possibly than my hon. friend at the result of the shipment. I thought that because of the reduction in freight, and leaving all the offal here, we might make something, but we lost $7 per head on that, and that helped to offset anything we made on the other end.

Mr. CAMPBELL: I am not entirely convinced that it is a matter of educating the taste of the United Kingdom, because the figures prove they are consuming enormous quantities of chilled meat to-day. I was glad to hear the minister refer to the possibility of some of this chilled meat having been sold as fresh meat, for that is just what I have heard. I understand that a good deal of the chilled meat was sold in that way. The figures here show that 5,076,000 British hundredweight—of 112 pounds—of chilled meat were imported and consumed in the Old Country in 1923.

I am glad to hear that the minister has issued a bulletin that will give us some information with respect to this shipment, but I am not entirely convinced that it is impossible for us to get some of this trade. I think the matter is worthy of further study, although perhaps not to the extent of wasting any

considerable amount of money on it. I think we should study the possibilities of this trade very carefully. If they are able to ship large quantities from the Argentine—and they are doing this repeatedly as the figures show—I see no reason why we should not be able to do it in Canada. If there is anything lacking it probably has to do with facilities. The Argentine has the proper facilities for handling this trade. The large American packers who are making imports into England from the Argentine have their facilities already established and built up, and my opinion is that we must use the same kind of facilities to meet our competitors in that market. I am not sure whether that is correct or not, but it seems to me it is a point well worth looking into.

Mr. MOTHERWELL: If my hon. friend, or any other hon. gentleman would like to try the experiment over again we can carry it out this year with our own cattle, I mean the experimental farm cattle. If my hon. friend would care to discuss the matter further with me I shall be quite willing to hear him. There seems to be a general feeling in favour of repeating this experiment, and we shall be in a position to do so. We shall have a lot of first class stuff ready for shipment in the course of another month or so. There is a bunch up at Rosthern that I think are exceedingly good, and there are some at the Central farm in the same category. We will make inquiries in the meantime just to see if we slipped a cog anywhere in the last experiment. If there is we shall try not to repeat the mistake. We do not like to lose $50 a steer on these farm steers; it makes a worse showing next year when we are discussing the estimates, and the returns from that particular farm will be that much less. However, since these farms are not there primarily to make a dividend or make money directly, we should not attach too much importance to that phase of the matter in the interests of the experimental farm. Therefore, I will consider the advisability of making another shipment, which I am rather disposed to favour.

Mr. TOLMIE: In connection with the chilled meat trade between Canada and the Old Country I was in England in 1921 when some private shipments were made from a Toronto abattoir to London. I accompanied the manager of the Toronto abattoir when he went down to Smithfield market for his returns, and heard his conversation with the broker down there who handled his product. At that time fresh killed beef in Great Britain was selling for about twice as much as frozen beef or chilled beef. The broker explained the small price that he had to pay him for that chilled beef by the statement that he could not be expected to sell that meat for any more than the English butcher would pay for it. It did not make any difference whether the meat came from Canada or the Argentine. If it had been put in cold storage that settled it; it was all treated as chilled or frozen beef and would only sell for the lower price. These experiments were carried on by private enterprise, as we have already said, Sir, and a loss of $36,000 per year was sustained as stated by the minister. While the government's intentions were quite good in this matter if there is any criticism I have to offer it would be that they undertook this venture with the full knowledge that it had failed already in private hands, for after all private enterprise must make the real experiment in any undertakings of the kind. From all I can learn there is no use in our endeavouring to compete with the Argentine under present conditions in the chilled beef market in London, for the reason that with their very mild climate and their low prices for labour they are able to put meat on the market at a profit for a very much lower price than Canadians can.

With regard to the experimental farm system in general, I want to say that having looked into the matter pretty well, and having an opportunity of doing so, I feel, that we have perhaps, one of the very best experimental farm systems in the world. I have heard Old Country people remark on this, visitors who were enthusiastic over what we have here. I have visited farms in Great Britain and I think there is nothing—so far as I was able to discover at least—that would compare with the Central Experimental Farm in Ottawa. If there is one thing wrong with the experimental farm system of Canada it is that the people who should use that system do not do so to anything like a sufficient degree.

With reference to the depots for breeding pure bred stock, so long as you only have the herds that are necessary to carry on your experimental work no reasonable objection can arise. But when it comes to increasing your herds to an unusual degree it produces the competition that is going to be felt by the general breeders of the country. What the minister said about selling a pure bred animal on the frontier and in this way creating an interest in pure bred stock and stimulating a market is doubtless correct. Any pure bred animal going out on the same frontier, whether produced at the experimental

farms or by a private breeder will have the same effect. In the province of British Columbia we have perhaps one of the most up-to-date establishments to be found anywhere in Canada in the Colony farm. There we find that the government has a good many advantages in the way of advertising. They are able to distribute their information, the information reaches the breeders and the buyers coming into the country, and their natural inclination is to buy from a government farm simply because the purchase will have the government guarantee behind it. With few exceptions the government is able to make a much better display at exhibitions and to sell at a more reasonable price than the breeder. At the same time the system cannot be unduly extended without competing and interfering with the legitimate breeder.

Mr. BRETHEN: I quite agree with what has been said by the ex-Minister of Agriculture (Mr. Tolmie) with respect to breeding depots. I think only such numbers of stock should be kept on these farms as are necessary for experimental work. I do not agree with the last speaker, however, that the breeders would fear competition from the experimental farms, because we have been given to understand that the labour costs at these farms are three or four times more than they are at the institutions of private breeders. I rather imagine that the experimental farms would suffer from competition with the private breeders.

Mr. MOTHERWELL: There is something in that.

Mr. BRETHEN: I believe that these breeding depots would produce at a loss and being desirous of making the best possible expenditure of public money I should not be in favour of using the farms for that purpose. I should like to draw the attention of the minister to another point and that is I believe the animals kept at an experimental farm should be of the types that are popular in the district. For instance, in Quebec there is a certain breed of dairy cattle that are very popular, and it is only proper that the stations in that province should emphasize the importance of that particular breed. If shorthorn cattle are popular in a particular district let the experimental farm concentrate on shorthorn cattle. And so throughout the whole of Canada. I believe that in that way you would have cattle that would be more useful for exhibiting the advantages of breeding, and you would have herds that would be more useful to the community to be served. Furthermore they could produce, not at a loss, but on a basis that would be profitable to the country.

Mr. STEEDSMAN: In the early part of his remarks this afternoon, the minister spoke about breeding and distribution stations. I would like to go into a discussion of that matter, but I think, looking at the items further down, that it might properly come under some other head than that of experimental farms. However, it has been touched on and if the minister would prefer that the discussion should go on under this item I am prepared to proceed. If not, I will drop it now and discuss it later.

Mr. MOTHERWELL: This is the proper item under which to discuss it.

Mr. STEEDSMAN: In view of the remarks of some of my colleagues, I have no doubt they will not agree with what I have to suggest. The hon. minister will remember that last fall, during his visit to the West, he was waited on in the city of Winnipeg by a group of gentlemen interested in developing new industries, particularly in Manitoba. In sections of that province, as the hon. minister is well aware, the people have come to the stage in farming operations where it will be necessary for them to make somewhat of a change. The change which is most highly recommended for those people to adopt is that of dairying. In order to go into that branch of farming they must have dairy cattle. We have no great supply of dairy cattle in western Canada. The people need these cattle now, and some of the gentlemen interested in the development of that industry made it their business to inquire where suitable dairy stock could be secured, and I think it was brought to the attention of the minister, at the meeting to which I refer, that stock of that kind could be secured at very desirable prices in the state of Wisconsin. If I am correctly informed, the minister was asked if he thought it would be desirable to have the duty removed, or the arrangement suspended, so that the duty would not be collected on a certain number of high-class dairy cattle if they were brought into that particular section of the country. I am informed that he looked upon that scheme rather favourably at the time, and agreed to take up the matter when he came back to Ottawa. I understand that he further agreed to send representatives of his department into Wisconsin to inquire into conditions there. Has that been done? If it has, who went, and what was the result? If the result was favourable to reduction in the duty, or the elimination of the duty altogether, those people might get their cattle from the nearest market and the cheapest market from which they could be supplied for that section of the country. I understand

that it has been stated there is a plentiful supply of that class of stock in eastern Canada. My hon. friend will be interested in this statement. However, I am quite sure that, being opposed to protection of any nature, he would not object to the people in Manitoba—especially in the southern part of Manitoba where conditions are such that it is absolutely necessary that some other branch of the agricultural industry must be taken up with grain growing—purchasing their dairy stock in the cheapest market they can find. If the time ever comes when that particular locality becomes a dairy district, I will be an anti-protectionist even to the extent of oleomargarine. I think we should have free trade in that line. In fact, I think the minister knows that it is absolutely necessary that the people in that part of the country should not only procure their dairy stock as cheaply as possible but that they should be permitted to buy wherever they can make the purchase.

Miss MACPHAIL: The hon. Minister of Agriculture has received a very great deal of advice this afternoon, but I hope that the little bit I have to add to that already given will be patiently borne by him. We have sat all afternoon and all evening until the present hour discussing quite seriously the experimental farms, and yet in the opinion of the average farmer of Canada the experimental farms, if alluded to or thought of, are always mentioned with a sort of righteous contempt. I think that possibly the reason why the average farmer has very little to say for the experimental farm is that the experimental farms have never been made to pay, they have never put in practice the lesson they have tried to teach the farmers. It seems that it is easier for them to give advice than to carry their own teachings into practice. The experimental farms have drummed, and drummed, and drummed, on production. But our difficulty now is not a lack of production, but over-production and lack of marketing facilities. The difficulty the farmer experiences is in getting a just proportion of the selling price of his goods. The selling price of his goods is not high enough to pay him for producing those goods. I remember a suggestion that, I believe, was made in the House last year,—and I certainly heard the matter talked about outside of the House by the hon. member for Bow River (Mr. Garland)—that the strictly experimental work should come under the Industrial Research department, and the parks and all the beautiful picnic grounds should be under the Parks department, where they naturally belong. I would advise the hon. gentleman (Mr. Motherwell) to cut out the frills and the picnics. I never go out to the experimental farm in Ottawa, with all its beauty, without coming home raging angry, I think about the people who pay for that farm, who have not one shrub around their house, who have no bulbs, who have no beauty, who have not much enjoyment in life, because of the foolish things that are imposed upon them by governments, not only of the Dominion but of the provinces, counties and townships. I think, if this work of experimental farms is to go on those farms will have to turn their attention to the science of marketing farm products and not to the producing of more goods. If they would meet, without political bias, the voluntary organizations of farmers, and assist them to market their products efficiently and well, they would be doing a real service to Canada. But no, they will sit back and wait till the farmer himself, loaded down with all his handicaps, has solved his own problem, and then will come along with theories for co-operative marketing. But in this criticism I must remember to praise the federal Department of Agriculture for one thing,—they have begun co-operative marketing of eggs and have assisted the farmers in many places to get an idea of how these things should be done. If they would carry out that idea in other branches of marketing farm products, it would be very much better. I think that this item has been discussed, not only long enough but too long. We have wasted a lot of money talking about it, and I think the minister has forgotten most of what we have said, and he should, if he wishes to retain his faculties. I, therefore, move:

That item No. 40 of the Agricultural Estimates be reduced by $200,000.

Mr. MOTHERWELL: Before the vote is taken, I should like to answer a question put by the hon. member for Souris (Mr. Steedsman). His recital of the circumstances in connection with the desire to import dairy cattle from the United States is substantially correct. When I was in Manitoba, I met a large deputation in Premier Bracken's office by appointment. This deputation represented the railways, the newspapers, the milk producers and several other parties, and they asked me to use my endeavours, when I came back to Ottawa, to have high-class, grade dairy cattle, permitted to enter Canada the same as pure bred cattle. I naturally was in sympathy with this idea, particularly as I knew that the people of Manitoba were

ready to go into dairying and needed this so badly. But I have my limitations, especially as regards a reduction in tariffs when the House is not in session, and nothing could be done that I could see. I made inquiries into the matter, and I found that there was no such thing as a certificate of a grade animal. You have to have some way of indicating whether an animal is pure bred or not and this is done by a certificate. There is no request that, from a personal standpoint, I would have liked more to meet, especially in view of the peculiar situation of Manitoba at this time. I may say that this is a matter which we can deal with, if we like, in the coming budget. Shall we remove the duty from American farm animals, particularly dairy cattle, regardless of what they do with ours? I am hopeful that before very long our cattle will be received very much more favourably in the American market, but I do not know whether that day will be hastened by our giving away our part of the contract by letting American animals in first. I have some misgivings in that regard, although I am not a stickler on it. Sometimes things become so bad that you have to adopt a certain course regardless of what the other fellow does. We have the same suggestion as regards breeding ewes and lambs. The problem is a big one to know what you should do with regard to American grade stock. I might, however, point out that I was quite unable, as the whole cabinet would be unable, to do anything by order in council between sessions, and now that parliament has assembled, there is an embargo against these animals because of the outbreak of the foot-and-mouth disease in the United States. That trouble may disappear, although the disease is beginning to spread very seriously. Under present conditions, however, the problem is not capable of immediate solution.

As regards the question of investigation, I sent a competent man to Wisconsin to inquire, first, into the quality of these cattle. It was represented that you could get animals with a production of from eight to ten thousand pounds a year for a comparatively reasonable amount, running from $100 to $125 a head. My experience in life has taught me that very rarely anybody wants to sell a cow of that character. Although such cows are quite common, at the same time they are much better than the average cow and very few dairymen want to sell them. If you want to buy them, you have to give the man his price, and it is generally a good price. Our man came back and reported, and, anticipating this discussion, I have his report here. I will summarize it rather than read it. He visited Wisconsin; he visited the herds, and found that freight rates were actually not as good from Wisconsin to Manitoba as from here, because of the reduced rates given by both railways to this class of stock for transportation to the West. As regards the cattle, he found that there were no better buys in Wisconsin than in the older provinces of Canada. I noticed a report by a representative of the Milk Producers' Association—I forget the gentleman's name—who reports the very opposite. He insists that there are better purchases in Wisconsin; that you can get a bettter cow for $100 in Wisconsin than you can here. He does not say anything about freight rates being less favourable there than here. The result is that whichever report you like, you have your choice. In our report there is no desire to represent anything but the actual facts as Mr. Cook found them. He is a man well versed in freight rates and also in cattle, so he was in a good position to size the matter up. His report is too long to read; but let us say that the matter is in doubt inasmuch as our representative and the representative of the Milk Producers' Association report differently.

There is another way of starting dairying, a way that is being taught by an expert that I know of on this continent, particularly when a poor man wants to start. The idea is to begin with such animals as are within reach, of the particular type you want for breeding or milk. Buy those females, then endeavour to get a good male at the head of your herd, and breed up into something better. That may take too long, but at the same time it is not by plunging into something that is expensive that we are going to get on our feet in western Canada. Getting out of one hole to crawl into another very rarely succeeds. In the Winnipeg market, you will find you can buy five dairy type heifers for the same price that you would give for one Ontario or one Wisconsin cow. As regards freight rates, the government pays 75 per cent of the freight rates on these young females or any other live stock into the West; the railways pay 25 per cent; and the hotel bills of the buyers are also paid by the government so that you can go on to the Winnipeg market, the Calgary market, the Prince Albert market, buy an animal and ship it back into the interior without paying one dollar of transportation for the animal or the man. In view of that, I feel very strong-

ly that a man who wants to start dairying can start in that way more cheaply and safely, particularly if a group of farmers organize, take the opportunity of forming a cattle association, and get for that particular district a male that will mate with those heifers. That is the way every experimental farm demonstrates as the most successful. The other way is to buy high-bred, expensive cattle in a southern country, where there are all kinds of modern facilities for housing the animals, where there is either good hay or good ensilage to feed them, and bring them up into a more northern climate and into the average facilities that we have for taking care of them. You will soon convert a ten-thousand-pound cow into a four-thousand-pound cow, and before you know where you are, your investment is reduced by more than 50 per cent. I am not putting this up for the purpose of giving some alternative; but the fact remains that, because of the embargo, we could not import those cattle, even if the duty were removed. We always have the other avenue available in order to start in dairying, and in my estimation those who have made the most pronounced success in dairying have started in that more modest way and have grown up in that business. I see the hon. member for Strathcona (Mr. Warner) who is recognized as an authority on dairying. I have never discussed this phase of the question with him, but I feel satisfied that his general experience running over a great many years will enable him to substantiate what I have said. All the experimental farms that we have, whether you find one at Nappan or at Agassiz, show that the proper way for a man with limited means to raise a dairy herd is to start on a modest scale with the females, as I have described. When the budget comes down I think we shall find that owing to the exigencies of the country's financial situation it will be impossible for every one to have the duties reduced to the extent that he would wish.

Mr. BROWN: I want to add a few words to what has been said by the hon. member for Souris (Mr. Steedsman) with regard to dairy cattle. The minister referred to the fact that a gentleman had been sent out to make an investigation in Wisconsin in connection with the dairy business, and there is no doubt that the Winnipeg District Milk Producers' Co-operative Association were not by any means satisfied with the disclosures he made in his report. The gentleman referred to by the minister is Mr. Tovell, who, I may say, is thoroughly well informed on all matters appertaining to the dairy business and is therefore competent to carry on the investigational work which he undertook. I am informed that he was sent out by the provincial government, in co-operation, I presume, with the Winnipeg District Milk Producers' Association. His report is most emphatic in support of the statement that has been made that large numbers of dairy cows can be purchased in Wisconsin and Minnesota at prices that would make their importation into Manitoba profitable if it were not for the duty. His report takes cognizance of the freight rates. Mr. Tovell also emphasizes the fact that the people of Wisconsin and Minnesota are making a special effort to cater to the trade of producing dairy cows, of which large numbers are available. Part of the report includes a map covering a number of counties in which are marked the number of dairy cows that are available, and in no instance is any county shown with a smaller number than 10,000. I see by the map that in some cases they run as high as 45,000. The minister is of the opinion that the best way to begin dairying is to buy a few heifers at the Winnipeg stock yards. I doubt the wisdom of this suggestion. It is true, perhaps, that you can begin cheaper that way, but I am satisfied that if a man is able at all to begin by buying a few first-class cows which he knows to be good, which have been tested and have a production record, or which have come from cows that have borne such a record, it would be much more satisfactory in the long run. Indeed, I question very much whether there are in the Northwest a sufficient number of dairy cows to produce the young heifers for which there would be an almost immediate demand, and I would urge strongly that the government make a note of these facts. I would seriously suggest that consideration be given to the request that these dairy cows should be admitted free of duty. We are a long way from Ontario, and while we are told that we can get cattle in Ontario and Quebec and also in the Maritime provinces, at the same time, from investigation that has been made, it would seem that, from the prices for which they can be obtained, together with the high freight rate and the effect which the long rail journey has on animals, it is much more desirable to purchase the cows from the nearest point. I think the minister should give further study to the report that has been made by Mr. Tovell. He is very much interested in the dairy business and is a man who is quite competent to form an opinion on ques-

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tions of this kind. Those of us who know him are satisfied that he is very thorough when he undertakes such an investigation as he has carried out in this instance. He conscientiously devotes his abilities to finding out all that can be ascertained about these questions, and altogether I do not know of any man who is better informed on all matters relating to dairying from one end of Canada to the other.

As regards experimental farms in general, I believe, as the ex-Minister of Agriculture (Mr. Tolmie) said, that we have a good system in Canada, and I believe that they have done splendid work in the past. It may possibly be true that in some cases, such as Indian Head, they seem for a time, I will not say to have outlived their usefulness, but to have reached that stage where it is necessary for them to devote their attention rather to some new phase of agriculture which was not perhaps recognized in the earlier days. I think, however, that we can offer this criticism, which has been urged again and again this afternoon, that there is too much overlapping; so that the Dominion department must institute a better method of co-operation with the provincial departments. I do not think there is any question on that point. It may be that certain lines of work can best be carried on by the provinces, and others by the Dominion. I had the privilege within the last few months of visiting two of the smaller farms, one in my own constituency, situated at Morden, and I am satisfied, from what I saw there and from what I know of the character of the young man in charge of the station, that the farm is performing a splendid service to the community. There is in my constituency, as the minister is aware, the greatest fruit-growing district in the prairies. True, the work has been to a large extent developed by private enterprise, the late Mr. Stevenson having done splendidly in that direction, and the work is now being continued not only by his sons but, as well, at the experimental station. New varieties of fruit have been developed and there is, I think, every reason to believe that from the work that is being done at that station we shall be able to supply the prairies with varieties of fruit trees which, while they will not constitute a commercial industry in those provinces, will nevertheless to a large degree enable the people of the prairies to supply their own wants. That I think is quite within the realm of possibility, and anyone who has seen what is being done there to-day must have a high appreciation of this particular line of endeavour.

Mr. MOTHERWELL: The late Mr. Stevenson used to produce fruit commercially.

Mr. BROWN: Yes: I think it should be borne in mind particularly that the district is peculiarly fitted—perhaps it is better fitted than any other part of the prairies—for the production of apples. Some time I am going to follow the example set by the hon. member for Hants (Mr. Martell) and the hon. member for Cariboo (Mr. McBride) and bring a sample of Manitoba apples. I also had the privilege of visiting the experimental farm at Summerland, British Columbia. I am not quite sure that all the lines of work that are being carried on there are advisable; I had some doubts as to the experiments they were making in the feeding of cattle. However, with the small opportunity I had for investigation I would not care to pronounce positively on that point. But I was very much interested in one branch of the work. They had there a pathological laboratory in charge of a young man who seemed to be the ideal type of person for carrying on that work. He is an intense enthusiast and his investigations of diseases affecting fruit, which can be carried on only in the district in which the fruit grows, will be of untold value to fruit growers of British Columbia. We cannot afford to scoff at the work that is being done by the experimental farms. Let us take it for granted that a lot of work is done that perhaps produces no immediate results. Well, plenty of work is done that does not produce any results and that cannot be said directly to pay in dollars and cents. We cannot expect that of work that is necessarily experimental. It is possible that some lines of work might be dropped; just which I would not like to say. The farms have done good service in the past, and while some readjustments may be necessary I believe they will continue to do good work. The minister would do well to take heed of many of the suggestions made this afternoon looking to an improvement of the situation in order to make the institution meet more nearly the needs of the present day, as we are satisfied it did meet the needs in the past. The Brandon experimental farm has rendered a splendid service to agriculture. It may be in the same position as the Indian Head farm; I rather think it is. And that it will perhaps have to branch out into lines of work which did not seem necessary in the early days. But I should regard it as a disaster if we should unduly handicap the work of those who are carrying on the activities of our experimental farms.

Mr. WARNER: I have some pretty clear ideas regarding these experimental farms,

though they may not coincide with those of some others who have spoken. In the first place, I believe there is altogether too much overlapping in this experimental work. People do not always distinguish, however, between an experimental farm and a demonstration farm. Some of the farms in Alberta were designed to demonstrate how to make farming pay,—and in that I do not think they have succeeded as well as they might—but the experimental farm is an entirely different thing. We never expect an experimental farm to pay; you might just as well expect a laboratory in a factory to pay. It is impossible to avoid mistakes, but the mistakes that the experimental farms have made have meant more money to me than their successes. That may seem to be a queer statement, but those mistakes prevented me from doing the same thing. I have made a good many mistakes in my operations in farming and I have always found them expensive, but certainly since going to Alberta I have avoided a good many through knowing what the experimental farms have done and tried to do. I do not think the discussion here has been altogether fair; the eagerness for criticism has gone just a little too far. I have been connected with this work long enough to know something about it. I am afraid the idea is going to be held out that our experimental farms have fallen into disgrace. Personally I do not believe that that is the case. I have already admitted that I believe there has been overlapping, and perhaps there have been too many of the farms. It is a question whether we should have an experimental farm at Lacombe when there is another of the same kind at Edmonton; there is not enough variation in the climatic conditions to justify the placing of two farms so close together. But the farm at Lacombe is there, and it has been there a long while. A certain amount of experimental work is also done at the university at Edmonton. That work has been quite useful to me, as it would be to others if they would take the pains to use it. To my knowledge new varieties have been propagated through the work of the experimental farms, with resulting benefit to Canada that would be valued at thousands and even millions of dollars. I do not think that the amount of money expended is anything like as great as the value to the country of some of these experiments. We must have our experimental farms, because they are going to save the farmers a whole lot of money. They may not be carried on in the most economical or perhaps in the most intelligent way in every instance; as I have said before, mistakes are bound to be made. I do think that those in charge of the farms might well have assisted in working out a scheme to market the products that they were teaching the people to raise, and the Dominion Department of Agriculture could serve the people well by doing something in that line. The reference to chilled beef this afternoon had a bearing on that subject, and I was disappointed to hear the results of the minister's experiments with those shipments. However, when the minister got such a lick as that, and after the experience of the packing plants throughout the country, which had a very similar experience, I do not blame him for being cautious about spending more money along that line but I would like to see this matter further investigated. I think we could do better than that. We want to learn which is the best way to ship, whether in the form of chilled meat or sending the animals over alive, and I suppose we have tried both ways to find out. That is part of the work that the Dominion Department of Agriculture ought to carry on, and their mistakes will be profitable to us because we will avoid them.

Now a word along another line. I do not know that my feelings are more highly cultivated than others along the line of beautifying our homes and so forth, but I want to tell the members of this House that I do take a whole lot of pride in some efforts I have made to beautify the surroundings of my home with trees and shrubbery, and if it had not been for the guidance of the experimental farms at Lethbridge and Lacombe, I would have made a great many serious mistakes in planting this shrubbery. The farms have served me very well in that respect. I have heard talk about the Indian Head farm. I do not know much of its value in teaching the people in that neighbourhood how to conduct their operations, it may have outlived its usefulness in some respects. But I know that the people in our part of the country when they want to beautify their homes go to Indian Head to get the trees, and they are mighty glad to do it. Perhaps the farm is not making money out of the trees they are raising, but you cannot calculate the value of this work in dollars and cents. Go out through that country and look at the beautiful groves of trees that have been planted, and you will appreciate the value of the work that is being done at Indian Head in growing trees. I feel quite warm on this matter. I feel that it is worth talking about. I cannot imagine a young man going on a farm on the prairie and never planting a single shrub or tree to

beautify his home. It does not take much to do it. I have been through it; I am not talking about something I know nothing about, because I have seen the time when I was building my first home, when I did not have a dollar to buy anything with, but I got it one way or another. I took a lot of pains here and there and I did a whole lot of begging, and I did not have an experimental farm in those days to go to but I beautified my home and left it there for someone else to get the benefit of. I went to Alberta, and there I had the experimental farm to help me, and it was not nearly so expensive for me to do around my home what I had done before I came to Alberta.

As to whether the experimental farms are paying, I do not think they have paid along some lines, but they have paid just as well and perhaps a little better than some experiments that I have made myself. However, I have succeeded in growing fruit trees at my home in Edmonton. I have one tree on which I had over six hundred crabs last year. I do not ever expect to make money out of growing such things as that, but the experimental farm helped me to demonstrate that I could grow crabs in that country. When it comes down to estimating in dollars and cents the value of the work they are doing, the experimental farms are not making money very probably, and we do not need to expect that, but they are helping to make Canada a better place to live in and helping the people on the prairies to have better and nicer homes, and helping us to avoid mistakes along that line. I think the experimental farms have proved a great asset to this country. We want them carried on just as economically as possible, and we do not want any more farms than we actually need. If it would pay to close down some of the farms I am perfectly willing that the minister should do it, but I want the work they are doing to be carried on extensively in the future, in order that the people may get the benefit, and if it is costing us a little money I think it is well worth while.

Mr. MEIGHEN: I listened, because I am interested, to the discussion of the free importation of grade dairy cows. I followed the minister's words as carefully as I could, but I am afraid I was left in the same mist as at the beginning. I want to know what the minister's opinion on the subject is. For a while I thought he was against it, but towards the last he intimated that he really was not against it, but that he was waging a valiant and bloody battle inside the cabinet for it but so far not successfully. What does the minister think on the subject? Is he in favour of it or against it? I understood he had given a judgment; indeed, I understood that he had given two. The first delegation that waited on him came away quite hopeful, not of a change in the law, but that the minister would get it done by order in council, by a change in the regulations, but subsequently they were notified that it could not be done at all. Will the minister tell us whether it ought to be done or whether it should not? He is Minister of Agriculture and a member of the government, and perhaps he can solve this question.

Mr. MOTHERWELL: I was asked to permit grade dairy cattle in free. I pointed out that I had no authority to do it. I have not discussed this matter in council in full. I have discussed it with the Minister of Customs, but it has not gone any farther than that with regard to taking the duty off at that time, because we found we did not have authority to take it off. It only applied to pure bred animals. The situation now is such that you could not get them in any way if they were free, because of the embargo. If my hon. friend wants to know my personal opinion—

Mr. MEIGHEN: Is there an embargo on cattle from the United States coming into Canada?

Mr. MOTHERWELL: Yes. Art thou a citizen of Canada and knowest not these things?

Mr. MEIGHEN: I am afraid my hon. friend's knowledge of the Scriptures is better than his knowledge of Canada. Is there an embargo on all cattle into Canada?

Mr. MOTHERWELL: Yes.

Mr. MEIGHEN: Of course, there is examination, and there may be particular examination on account of the foot-and-mouth disease, but does the minister say there is an absolute embargo?

Mr. MOTHERWELL: Surely. The embargo was put on first against three states because of an outbreak in California, and the two adjoining states were included in the embargo area. About a week afterwards Great Britain put an embargo on the whole of the United States, against not only cattle but hogs and sheep. Consequently, if we wanted to ship to the markets of Great Britain, we had to follow suit with respect to the United States; in other words, we were compelled to put on an embargo against the United States if we wanted to retain a market for our stockers in Great Britain. I regret

very much to report, Mr. Chairman, that the latest news from California indicates that the outbreak is pretty serious, and that it has extended to two additional counties and thousands of additional head of cattle. It is therefore all the more imperative that we should keep that market good and tight until at least sixty days after the expiration of the last outbreak.

Mr. MEIGHEN: How long is it since the complete embargo was put on American cattle?

Mr. MOTHERWELL: It has been on about three weeks, speaking roughly.

Mr. MEIGHEN: What was the opinion of the minister up to three weeks ago to the admission of these animals?

Mr. MOTHERWELL: My opinion was—speaking personally, I cannot speak for the cabinet—that I would like to see those animals let in. At the same time I recognize there is another side to the story. I have had representations from the cattle men, the cattle growers in Manitoba vehemently objecting to it and saying "We have cattle to sell." The farmers of Manitoba and Saskatchewan say they have cattle to sell and why open the door to Wisconsin stock. That was the other side of the question. On general principles, however, speaking personally and knowing the need of Manitoba, and notwithstanding the fact that our reports indicate that when you take the freight rate into consideration, there is no better "buy" than at home, the people of that province have been under the impression that they were buying to better advantage when they bought at Wisconsin. If they are able to buy stock to advantage it means that they will go into dairying more quickly and more generally, and that is what was aimed at by the preaching of diversified farming. But if obstacles are placed in the way they say "Oh what is the use," become discouraged, and the end sought to be achieved is frustrated. Taking all things into consideration personally, as a western man, I would like to see them have access to the American market not only for dairy cattle but also for sheep anl lambs because there is considerable demand for both.

Mr. MEIGHEN: What the minister means is access from the American market?

Mr. MOTHERWELL: Perhaps that would be a more correct way to put it but they would need to get into that market too.

Mr. MEIGHEN: The minister admits the raisers of dairy cattle in Manitoba are strongly against this.

[Mr. Motherwell.]

Some hon. MEMBERS: No.

Mr. MOTHERWELL: I beg my right hon. friend's pardon.

Mr. MEIGHEN: The minister says those who raise dairy cattle in Manitoba are against it.

Mr. MOTHERWELL: Those who have a surplus of cattle to sell, yes, because it would be interfering with their market.

Mr. MEIGHEN: I have received some pretty strong protests from them myself.

Mr. FORKE: From supporters of the right hon. leader of the opposition.

Mr. MEIGHEN: Some of them are. There are a great many more of that mind than there were. I will now watch, and I am sure the leader of the Progressives (Mr. Forke) will watch, with interest this battle in the cabinet and we will see what happens to dairy cows when the budget comes down.

Mr. FORKE: I hesitate to take up any time by a speech, but I feel in duty bound to say something with respect to experimental farms. I do not wish to cast any reflections on the member for Strathcona (Mr. Warner), but when he was talking about his early struggles it reminded me of a Scotch story that I am going to tell the House. An old gentleman was giving advice to his son who was going forth into the world and he wanted to put the latter right. He said, "My son, mak' money. Mak' it honestly if you can, but mak' money." I do not for a moment imagine that was how the hon. member for Strathcona got along, although doubtless he was hard pressed at the commencement of his career.

In reference to the experimental farms I believe they are doing good, useful work even to-day. In saying that, I perhaps express an opinion that differs from some hon. gentlemen sitting around me. I must confess that my knowledge of these institutions is very largely confined to the Brandon farm, but I should like to acquiesce in the statement of the hon. member for Victoria City (Mr. Tolmie), that the shortcoming which exists lies not so much in the farms themselves as in the fact that the farmers do not take advantage of what these institutions have to offer them. Last summer I visited the experimental farm twice. On both occasions there was a sort of picnic of farmers from the surrounding country. Addresses were given and visitors were conducted all over the farm, inspecting the different plots that were under crop. Now, as hon. members know, last year was one of the years when

rust inflicted very serious damage on the crops in the West. At Brandon experimental farm there were probably twenty or thirty different varieties of wheat growing in different plots, and no better lesson as to the right sort of wheat to resist rust could be taught the farmers than was demonstrated at that farm. At the same time, I question if one-twentieth of the farmers know anything about the tests that are taking place. Of course, literature describing these tests is sent out, but I am afraid that literature is so voluminous in character that it defeats its own purpose. If the quantity of literature was less it would doubtless be more widely read.

In regard to the vegetables, and the other farm crops, I think a great deal of advantage can be gained by a visit to the farm at Brandon. The manager of that farm, Mr. McKilligan, is a farmer born and bred, although of course he got his education at an agricultural college. But he is an enthusiast in his work and I am sure that that farm is up to date. Notwithstanding what the hon. member for Lisgar (Mr. Brown) thought—maybe he did not actually say so—that it was falling behind the times, the Brandon experimental farm is an up-to-date institution and is doing good work. I want to pay a tribute to the superintendent in charge of that farm who is a good, live man and always ready to help the farmers in every way possible. Furthermore the experimental farm in Brandon has done something towards promoting co-operative marketing in eggs and poultry. I do not know whether that action is official, or otherwise, but the superintendent has taken an active part in that work and is a most energetic and praiseworthy individual.

I do not know whether the minister is entitled to all the money he is asking to carry on this work; it may be that he is asking too big a vote altogether. There was a large deputation to-day from all over the Dominion strongly urging economy, and it may be possible for the minister to get along with a little less money than he is asking for. I wanted to put myself on record on this matter. There may be too many experimental farms, but I do know that some of them are doing good work.

Mr. WILSON: I had not intended saying anything on this topic but the remarks of the hon. member for Southeast Grey (Miss Macphail) have brought me to my feet. In her speech to-night, referring to the Central Experimental Farm, she said she never visited that farm but she came back in a raging anger. I may say that I have never returned from a visit to the experimental farm in that state of mind. I have visited the farm very often and have returned feeling that I had benefited by what I had seen. It would appear from the remarks of the hon. member that she is not very conversant with floriculture or horticulture. Quite a number of my constituents are interested in both and I think we should be ill-advised to vote for the reduction of the vote for experimental farms seeing the attention that is paid there to these branches of work. There may be a certain amount of overlapping but that difficulty can be cured. I am pleased to see that the minister is putting up a larger green house at the farm and I congratulate him upon it. In such institutions the government can carry on experiments that cannot very well be undertaken by individuals. To these farms the farmers can go and obtain valuable instruction. The hon. member for Southeast Grey may sneer at the experimental farm if she chooses, but that is not the attitude adopted by the farmers in my constituency. If people are sneering, it is because they do not take advantage of what they can get by visiting the farms. Floriculture has grown in the province of Ontario to a large extent, and our horticultural societies to-day are of great benefit. I do not know any person in my constituency who is not a member of the horticultural society. We know it is a great society. It makes more beautiful homes; it makes half your home. We are told about the bulbs and shrubs at the experimental farm, and I may say to the hon. member for Southeast Grey that on application to the farm she can secure some of those without any cost. They are distributed free if you wish them, and one point that some people take exception to is that that free distribution comes in competition with the growers and dealers. But that does not occur to any great extent. My idea is that at the experimental farm we should grow the best of everything. The Department of Agriculture is in a position to buy the best of everything, and any person who visits the farm should have the opportunity of viewing the best of its kind. At some future time I should like to put on record the volume of business done even in the bulb business alone. Any person who visited the gladioli show at Guelph must have had his eyes opened. It was a wonderful show. And if we were to condemn the experimental farm, where would our Marquis wheat be? Not only the Marquis wheat, but to-day I was told, on a visit there—and I think the member for Southeast Grey might go there—that they now have a

wheat which will perhaps supersede the Marquis and will be a better quality. If any person will go into the horticultural or floricultural branch under Mr. McKee, when the chrysanthemums are in bloom, and see the John R. Booth chrysanthemum, brought into being by Mr. McKee there, and practically adopted by an American, it would be a surprise to him. But these people had to come back and admit that it was a Canadian production, and to-day it is on the market under the name of the John R. Booth. Perhaps people might see the Motherwell geranium or the Tolmie geranium, if they went there. These are all experiments that are bettering conditions in this country, and I think it ill-becomes any person to cast a slur on the experimental farm. I have under my hand here the catalogue of the horticultural wizard of the United States, Burbank. If we had a Burbank in this country, would it not be an advantage to us? We have men who have made developments along the line of floriculture and horticulture, and they should be encouraged, and my only regret is that larger amounts are not placed at the disposal of the farm and the government in order to carry on experiments.

In the fruit line we have had the development of apples. The country is not interested alone in wheat, there are other things in this country besides wheat, as hon. members will know if they visit the Niagara district. It would be a good idea if some of our western friends, who perhaps have not visited that section of the country, would come there and see what is going on. In direct opposition to the hon. member who has spoken to-night, I am a protectionist, and I have a constituent who is preparing now to put out forty acres of potatoes; he has them all sprouted. This time last year his potatoes were in the ground; I expect in another day or so they will be in the ground for this year. They try to get the early varieties in order to compete with—what? To compete with the vegetables from the South. And they are handicapped—no question about it. Everything that can be done to improve conditions should be done, and it is the duty of the experimental farm to develop the earliest and best kinds of fruit and vegetables. It is a great advantage to the growers in my district to know that by using the experimental farm either at Ottawa or Guelph they can receive great benefit, the experimenting, being done at the expense of the government. I do not know if I am making a mistake, because the member for Southeast Grey started to castigate this House for taking up too much time on this item. Well, it is an item of $1,500,000 and I think the time of the House is well taken up in discussing it, because a great many things have been brought out that will be of benefit to the province of Ontario and the Dominion of Canada. I think the experimental farms should be encouraged. It may be that there are overlappings, but I believe they have done a great work and everything we can do in this House to encourage agriculture, floriculture and horticulture should be done.

[Mr. Wilson.]

Mr. COOTE: I agree with the last speaker that this is a very important item, and I do not know that the time taken this afternoon has been altogether wasted. It is such an important matter that I think it should be brought to the attention of the House that there are only ten members of the Conservative group which sits to our right present to-night to see that this item is properly discussed. It may not be out of place to bring to your attention, Mr. Chairman, the fact that the hon. member for Burrard (Mr. Clark) is not in his place. I believe he has been called by some of the members the official timekeeper of the House, and I think it might be wise if we would continue the discussion a little longer, as possibly the timekeeper may be here when we take the vote. We have not gained as much information in regard to experimental farms as I think we should have obtained in the length of time we have been discussing this vote. I would like to bring to the attention of the chairman and members of the committee a little item in the Auditor General's report for 1923, which will show how some of the money voted for experimental farms is expended. On page 150 of the Auditor General's report I find the following:

> Audit Office, Ottawa,
> November 6, 1923.
>
> Sir,—Included in the expenditure charged to experimental farms appropriation for the fiscal year 1922-23, I find a number of payments made in connection with the entertainment of excursionists, etc.
>
> Starting some years ago with a trifling outlay at Central Farm, Ottawa, this form of expenditure has extended to several of the branch farms, and now aggregates a considerable amount.
>
> During the fiscal year 1922-23, outlay of this nature at Central Farm alone amounted to $1,115.68 and at Cap Rouge, Quebec, farm, to $836.68.
>
> Such expenditure is not, in my opinion, properly chargeable to experimental farms appropriation, and should be incurred only after the special authority of parliament has been obtained therefor.

I would be very much obliged if the hon. minister, before we are asked to vote on this item, would tell us, if he knows, just how much has been expended for the purpose of

entertaining excursionists. On page 152 of this report I find a letter from the Auditor General to the deputy minister, dated 9th November, 1923, which says:

Included in the expenditure made from live stock appropriation in the fiscal year 1922-23, I find that by cheque No. 42837 the Chateau Laurier, Ottawa, received the sum of $202 covering the cost of a "banquet on December 1, 1922, for members of the Live Stock branch."

The account is as follows:

70 dinners at $2.50.. .. .. $175

Rather expensive dinners.

Mr. GRAHAM: Not as they go now.

Mr. COOTE: Well, for farmers. Then the next item reads:

Cigars and cigarettes..	$ 17
Service..	10

I am just a little doubtful what kind of "service" that is. One of my hon. friends suggests that possibly it is liquid service. We ought to have a little more information regarding the expenditures included in this item. I hope the minister, before he asks us to vote on this question, will be good enough to tell us the amount he spent on each experimental farm last year. That will not take very long, and then the members who live near those farms will have some idea, possibly, whether the amount is being wisely expended or not.

I should like to draw the attention of the minister to one fact which has been mentioned here, but not stressed as, I think, it should be. I refer to the efforts of the Experimental Farms branch which, so far as I am aware, have been directed altogether to increasing production, and we have in Canada to-day, in a great many lines of agricultural produce, a surplus of production for the markets we have. Many authorities in the United States say that the American farmer raises too much wheat and that that is the reason why prices are so low. The Secretary of Agriculture in the Harding cabinet recently said:

Reduce the number of farmers, and the ones that are left will get more for their products.

I do not think the Minister of Agriculture whom we have in this cabinet, will agree with that, because last summer I believe he made the proud boast that Canada was now leading the world as a wheat exporter. I do not believe it is necessary for him to carry on experiments to any great extent at the present time for increasing production, particularly of wheat, because I have a little despatch from a Calgary paper which states:

On the provincial government farm at Olds last year they were able to produce 105 bushels of wheat to the acre.

The government statistics this year, I believe, state that the average yield of wheat in Alberta is 28 bushels to the acre, and I do not believe that record can be excelled by any country in the world. What the farmers need—and they do need some help—is some assistance in marketing this product. I want to quote from the Montreal Gazette of May 19 last. This statement was made by Col. Cooper, who was trade commissioner at New York during the war period. In referring to conditions in Canada, he said:

The marketing of our wheat was the crudest part of the whole foreign trade system, forcing our crop on the European market during three months, at a time when that market was flooded with wheat from all over the world, with the natural result of low prices. This meant a great deal for the industrial life of the country, because a poor price for wheat was bound to react on the purchasing price of the whole community.

I want to urge upon the minister that he should use his influence to see that there is returned to the wheat producers of the prairie provinces the amount of money which is now held by this government but which was left in their hands by the old wheat board now to be used for the purpose of assisting the farmers of the West in the formation of their wheat pools. I think he would be doing a much better service to the farmers of the West if he did that than he is in spending money to encourage them to produce more at the present time.

There is another matter which I want to bring to the attention of the minister, but I am not sure whether it is in order at this time or not. If it is not in order the minister can correct me. I have in my hand three different advertisements which were published in nearly all of the papers in Canada last year. I wish, Mr. Chairman, that I had time to read all these advertisements to you, because they are very entertaining. Each one of them winds up with the statement at the bottom in large black letters "Have faith in Canada". I believe these advertisements were accompanied by a little editorial; at least, this editorial was published in many of the papers that published the advertisements in question. One paragraph of this reads:

The farmer must remember that in the last analysis he is infinitely better off than the wage earner of the city.

I want to give the committee just a little idea of the comparison existing between what the farmer receives and what the labourer in the city receives. This is taken from the Farm and Ranch Review of Calgary, and I am sure the minister will consider it an authority. It states:

The following interesting statement bearing on this controversy—

That is of the comparison of wages on the farm and in the city.

—recently appeared in a southern exchange:

It takes 63½ dozen (762) eggs to pay a plasterer for one day of eight hour's work.

It takes 17½ bushels of wheat, or a year's receipts from an acre, to pay a bricklayer one day.

It takes 23 chickens weighing three pounds each to pay a painter for one day's work.

It takes 42 pounds of butter, or the output from ten cows, fed and milked for twenty-four hours, to pay a plumber for a day's work.

It takes a hog weighing 175 pounds, representing six months' feeding and care, to pay a carpenter for a day's work.

I would like to suggest to the minister that, instead of spending the money of the taxpayers of this country in this kind of advertisements, "Have faith in Canada," he should spend that money in endeavouring to assist the farmer to market his produce so that it will bring him a little more than it is doing to-day. A few days ago I asked the government for a return showing the amount paid by the Department of Agriculture for advertising, and I find that they paid the James Fisher Company, Limited, of Toronto, $51,290. I would like, if I am not asking the minister too many questions, if he would advise me whether that amount was not to pay for this series of advertisements. If I can go back to the contents of these advertisements again, and particularly the last statement in them: "Have faith in Canada," I want to tell the minister without any hesitation that there is no class of people in Canada that have shown their faith by their works as well as the farmers. They have never ceased production; they have produced to the limit of their ability, the limit of their credit, without any guarantee whatever that they would get for this product the cost of production. I know of no other class in Canada which is willing to do the same thing. The implement manufacturers, when they get a little intimation that possibly the duty is to be lowered on their implements, immediately run to the federal government and say: "If you take off this protection we will close up our factories and our men will all be out of work and go to the United States." The farmers that went to the United States are those who were sold out by their creditors. It was not because they voluntarily ceased producing that they went across the line, and I think it is almost an insult to the farmers for the Department of Agriculture to spend all the money they did in printing these advertisements in all the newspapers. I was discussing this matter with a farmer of Alberta. He is not in my constituency, but I am acquainted with him and I know him to be a thrifty Scotsman and a returned man.

[Mr. Coote.]

We were talking over this question of faith in Canada, because we had had the pleasure of a visit in western Canada last summer from the Minister of Justice (Mr. Lapointe) who, in nearly all the speeches he made, emphasized this matter of faith in Canada This little Scotsman said to me: "Well, George, when you go back will you kindly tell the government for me that a good many of us have lived on faith for a couple of years; last year we lived mostly on hope, and now I think we have come to the stage when we shall have to live on charity." To be serious, I want to say that it is pure bunk for the Department of Agriculture to spend our good money in putting out this stuff; and if the minister wrote these articles himself, then I say it is time we had a new Minister of Agriculture. I do not like to accuse the minister of having done all the things for which his department is responsible, and so I do not charge him with the authorship of these articles. But I would suggest that if he is going to spend money in advertising he ought to advertise the produce which the farmers have to put upon the market, and should enlarge the market for the farmers, as far as he can, by means of proper advertisements. That would be reasonable; but what sense is there in spending the people's money in printing this kind of thing? The department is also spending money trying to induce the farmers to produce bacon hogs and the farmers are responding pretty well. But let me draw the attention of the minister to what happens to the hog after it leaves the farmer's hands and gets to the packer. In the year 1910 the spread per pound between live hogs and smoked bacon was 16·2 cents; in the year 1922 the spread was 30·1 cents per pound. I would suggest that the minister spend some of that $50,000, which he used in advertising, for the purpose of preventing as far as possible by some method such a spread as this, with a view to giving the farmer at least an extra cent per pound for his hog. But this big spread does not apply only to hogs.

Mr. SPENCE: What is the spread to-day?

Mr. COOTE: I am sorry I have not the figures.

Mr. SPENCE: These statements are misleading.

Mr. COOTE: I have been quoting an article in the Grain Growers' Guide and the figures I have given are for 1922.

Mr. SPENCE: You can buy the best bacon to-day for 25 cents, so that there cannot be a spread of 30 cents between the prices of the hog and the bacon.

Mr. COOTE: I have bought several pounds of bacon since coming to Ottawa and for the cheapest I have paid 35 cents and for the best 45 cents. If the hon. member can get it for 25 cents in Ottawa he might tell us where it can be procured at that price.

Mr. SPENCE: I hope hon. members will not take that seriously. I am in the foodstuffs line and I can assure the hon. member that he can buy first-class bacon at 30 cents a pound for the back, and 20 cents a pound belly. What is the use of an hon. member trying to make parliament believe he is paying 35 and 40 cents?

Mr. COOTE: I am stating a fact.

Mr. SPENCE: Your statements are all misleading.

Mr. COOTE: The House can believe the statement of the hon. member if it prefers, but I challenge him to go to the Canadian Packing Company's store on Elgin Street and get bacon for less than I have stated. If he goes there he will find that the price is as I have mentioned unless they give him a cheaper rate than they give me.

Mr. SPENCE: I will bet you a thousand dollars.

The CHAIRMAN: The hon. member is out of order.

Mr. COOTE: I have to make my living by raising wheat and hogs and I have not a thousand dollars to accept the hon. member's wager.

Mr. MARTELL: Borrow the indemnity of the hon. member for Southeast Grey.

Mr. COOTE: I think that possibly my hon. friend is under a misapprehension; I have been referring to smoked bacon. However, I suppose the hon. gentleman will immediately rise and tell me that it costs a lot to smoke bacon.

Mr. SPENCE: I will not pay any attention to you at all.

Mr. COOTE: I am highly honoured. I want to draw the attention of hon. members to certain figures published in the Agricultural Gazette for the months of January and February 1924. My hon. friend need not take my word for this; he can consult the Agricultural Gazette. At page 67 the statistics appear in regard to the Canadian meat industry. I find that the number of plants in 1921 was 84, the capital invested being $58,500,000, the number of employees 9,928, salaries and so forth, $13,500,000—I will not go through the whole list because it might weary the House. However, the cost value of the animals slaughtered was $86,500,000 as compared with a sales value of $153,000,000. In other words, the value of these animals while passing through the packing houses increases from $86,500,000 to $153,000,000.

The CHAIRMAN: I regret having to call the hon. member to order, but I fear I shall have to rule his present discussion irrelevant. The facts which the hon. member is submitting would be in order under the item "Health of Animals," but at the present stage I am afraid they are not germane to the item under consideration.

10 p.m.

Mr. COOTE: When we come to the proper item I shall be glad to give the facts to the minister. We have spent millions of dollars for the purpose of increasing agricultural production, we have spent very little in an endeavour to find a market for what is produced, and that is one reason why the farmers are in their present unhappy condition. The minister might very well spend a larger percentage of the money which I know he will spend—because we cannot stop him from spending it—in endeavouring to help the farmers find a profitable market for their produce, instead of indiscriminately producing more and more.

Amendment (Miss Macphail) negatived.

Mr. SPENCER: I was going to ask the minister if he would answer the questions put by the hon. member for Macleod (Mr. Coote) a few minutes ago with regard to the cost of the farms individually and the cost of advertising.

Mr. MOTHERWELL: The hon. member for Macleod discussed the matter in a fair and friendly way, but evidently he was labouring under a misapprehension with regard to the practice in connection with excursions to experimental farms. I only regret that there are not more excursions so that the people might see at first hand what is going on there. One of my hon. friend's confreres from Alberta—I do not want to disclose his name unless I am asked for it—came to me and asked that the excursions to the experimental farm at Scott should be restored because of the benefit that had resulted from them in the past. So you see how difficult it is to please everyone. My hon. friend thinks there

should not be any expense connected with these excursions. Well, for many years there was a college at Guelph where the people gathered in thousands; indeed, I believe it is the practice yet, and a small expense was incurred for the purpose of giving a lunch to those who visited the farm.

Mr. FORKE: They only gave us hot water at Brandon.

Mr. MOTHERWELL: It was very modest, I know; many a time has my wrist been tired out cutting sandwiches on occasions of that kind. But the people went away just as happy as if they had got the two- or three-dollar lunch spoken of in connection with another matter.

My hon. friend referred also, as did the hon. member for Bow River (Mr. Garland), to the advertisements. Yes, my department is responsible for those, and I wrote some of them myself. We practically advertise for tenders in every case but I do not recall offhand whether we did so in this case or not. The advertising agencies are supposed to have expert display advertisers, but so far as most of this material is concerned we have to supply it ourselves. Let me tell my hon. friend quite candidly why we engaged in that advertising campaign. In this House and elsewhere there was a disposition a year ago to indulge in a whole lot of dreary talk about our country; the dirges that were sung were to me distressing. They may have been justified; I shall not enter into that—they may be justified yet to some extent. But is it discreet; is it wise? Why depress the morale of the rest of the people who want to make the best of the circumstances during these trying times? So, the primary purpose of these advertisements was to buoy up the morale of the people of Canada, particularly the agriculturists, who needed it, in all conscience, at that time. We may not have done it in the best way, but that was our purpose. The wording of the advertisement may not have been such as to satisfy my hon. friend, but his is the first adverse criticism I have heard, and I have received a good many compliments regarding it. I shall be very glad to have any suggestions as to just how this should be done if my hon. friends think they can improve upon it. I do not pretend to know it all, and I never expect to, but I did feel that at that time there was need for buoyant advertising in order to promote the prospects of a better day in agriculture and a better day all round for Canada.

When the threshing began in the fall I noticed a statement in the press that a gentleman in the West by the name of Mr. Coote had threshed 72 bushels to the acre. I do not know whether it is the same gentleman who represents the constituency of Macleod in this House: if it is I am sure he cannot have very much complaint against the threshing returns in the constituency that he represents and on his own particular farm. If it is the member for Macleod I want to congratulate him on what is almost a record outturn of wheat. The premier of the province told me that his output was 62 bushels. I am not going to take the ground that this advertisement had anything to do with that, but what with these two circumstances my hon. friend should be buoyed up considerably in the hope of a betterment in agriculture.

The question of bacon hogs was referred to by my hon. friend; that will come up again under the live stock vote. I think he suggested that I should take the packers in hand and educate them a little. Well, I think we have done that, and they are paying on the basis of quality to the extent that they never did before. We cannot afford to pay inspectors to go all around the country wherever hogs are sold and bought, but we locate them at the packing plants. I want to give my predecessor the credit that is coming to him in connection with our present grading system. I think it is one of the most advanced systems of grading hogs on this continent; in fact, it is the only system of its kind. It was evolved through the joint efforts of the Department of Agriculture of that day—in the fall of 1921, I think it was,—the provincial departments of agriculture and all the breeding associations throughout Canada. In their joint wisdom they should surely work out something good, and they did. The regulations are capable of amendment; indeed, we have recently made some amendments in the light of past years' experience. It is not perfect, but it is an experiment in the direction of encouraging the breeding of better bacon hogs and bringing about payment on the basis of quality, without which you cannot get quality. You must pay a man for the trouble he goes to in producing a better bacon hog, otherwise he cannot be expected to do it.

Mr. FORKE: Is there any way of checking up the big plants and comparing what goes out with what goes in? Is there any danger that more No. 1 bacon may come out of the big plant than went in?

Mr. MOTHERWELL: Possibly that is right: it is a good idea, I think, to get one phase of it going and then, when you have that, to take up the other phase. We did think of starting a system of grading bacon

so that just what my hon. friend speaks of could be checked up; so that the quality of bacon would be so increased that when it went on the British market it would command a sufficiently higher price to warrant the packers in reflecting their price back to the man who raised the hog. We have not got that far, because it takes just that much more staff, and at this time we are restricting rather than expanding the staff. That, however, would be one of the next steps to be taken.

Mr. FORKE: A system which goes half way is a failure. It would be different if it went the whole way; if it were graded in and graded out it would probably be all right. But when a man has five or six hogs that he thinks are all graded No. 1, and they come out graded all the way from No. 1 to No. 4 and No. 5, it does not make him feel very happy. If they are graded in they should be graded out also.

Mr. MOTHERWELL: While we have not taken the step in the direction indicated by my hon. friend, we have a man working on this, so that when we do take a step it will be in the right direction. It is an entirely new thing; we have no precedent to guide us; we are, so to speak, making history in the matter of grading hogs alive. It is difficult, and unless it is accompanied by what my hon. friend suggests, it is not going to be entirely satisfactory, but as I say we are working on it.

The hon. member for Macleod raised a whole lot of interesting questions with regard to marketing and other matters, some of them a little out of order, but I might be excused for dealing with the question of marketing now in case I should forget it on some other occasion. We have now three or four branches that devote considerable attention to the marketing of various farm products—the Live Stock branch, the Fruit branch, and the Dairy branch. You will find further down in the estimates an item for a special representative in Great Britain to look after the marketing of farm products there.

Mr. GRAHAM: I was going to suggest that as we have worked pretty hard and have had some late nights this week, not without interest, if hon. gentlemen could see their way clear to pass this item I would move that we adjourn.

Mr. COOTE: There is one little matter I would like cleared up before the House adjourns. For the enlightenment of the hon. member for Parkdale (Mr. Spence) I would like to quote from the Montreal Star of today's date, under the heading of Wholesale Prices: Bacon, Windsor boneless, 39 cents per pound; breakfast, 26-29 cents per pound. You will note, Mr Chairman, that these are wholesale prices.

While I am on my feet I would like to thank the Minister of Agriculture for the kindly reference which he made to myself and to the good crop which I was fortunate enough to have. I want to say in all modesty that the crop was not due in any very great degree to my efforts but to a kindly Providence sending the right amount of rain at the right time.

I want also to say a word for the district in which I live. I am quite satisfied that I live in one of the best districts in Canada so far as production is concerned.

Mr. CARROLL: So say we all.

Mr. COOTE: We are not afraid to compare our production with the production of any district in Canada, I do not care where it is, even if it is in Nova Scotia. We can produce more wheat to the acre than possibly most districts in Canada. We can produce as good wheat as is produced anywhere in the world. Alberta this year won the championship of the world for wheat and for oats. One hon. member suggests that I call your attention to the fact that the number of Conservatives in the Chamber at the moment has dwindled to eight. If I might be permitted, I would like to draw that fact to the attention of the press representative for the Ottawa Journal. The hon. member for Parkdale says that they will soon be all out. Well, I wish them God-speed.

Now, Sir, Alberta can produce the best wheat and the best oats in the world. She has in years past produced the best rye and the best barley in the world. She has won a good many championships with her cattle. She has this year taken the premier honours so far as butter is concerned. And I think the Minister of Agriculture will agree with me in that. But in spite of all these facts the Calgary Herald, which I am sure hon. gentlemen will agree is not supposed to be a pessimistic journal, had a statement last fall in big headlines that between six and seven million acres of land were to leave the farmers' hands this year because of unpaid taxes. Now that land is not sold until the taxes are two years old, will any hon. member tell me just what is the matter with Alberta when she can produce the best crops in the world, as good cattle and as good butter as can be produced anywhere in the world, and yet these Alberta farmers cannot pay their taxes? Between six and seven million acres of land is more acreage than we had in wheat last

year, our total production of wheat being 167,000,000 bushels.

As to being optimistic, which the minister has mentioned, it is said in one of the editorials which accompanied this article that some farmer in Alberta had written to Ottawa, last spring saying that it had started to rain in Alberta and the farmers were very optimistic, and that if optimism could pay their debts they would all be out of debt this year. So far as I am concerned I am not a pessimist; I would wish to be like Major Strange, the world prize wheat grower who described himself as a sane optimist, but that same Major Strange at a banquet given in his honour by the Edmonton Board of Trade said that "that man's name should be writ large in gold who could name one article the farmer in Alberta was to-day producing that could be sold at a profit." If there is one duty the Minister of Agriculture should perform it is to endeavour to right such a condition as that.

Mr. SPENCER: The Minister of Agriculture mentioned a few moments ago that a member from western Canada had approached him with regard to securing excursion rates to an experimental farm. He did not mention the name of that member, but I might say for the edification of the House that I was the member referred to, and I mention this because I have absolutely nothing to hide from the House or the country in any matter concerning which I approached the minister either on the floor of this House or privately by letter.

The experimental farm to which I recommended an excursion should be run is at Scott, Saskatchewan. This farm is doing some excellent work, but I have discovered during the last few years that the farmers are going there in very small numbers, mainly because of the cost in time and money. A transcontinental train runs from the West down toward Scott which they could take, and spend most of the day at the farm, and then take the night train back, and I recommended that excursion rates should be given which would make it possible for a very large number of people to take advantage of the experimental farm at that point. This could be done, I believe, to the advantage not only of the farmers themselves, but of the farm and also the railway company, and it was for that reason that I recommended to the Minister of Agriculture that there should be excursion rates at least once or twice a year to that experimental farm.

[Mr. Coote.]

Mr. JELLIFF: It has been asked to-night how much money was spent on each experimental farm. If I remember aright something like $47,000 was spent on the Lethbridge experimental farm in my district last year, and I want to say that I do not believe there is any way in which such a sum could be expended to better advantage. My only regret is that this amount was not doubled. I do not think we should underestimate the immense value of the work that these experimental farms are doing. I have occasionally visited the experimental farm at Lethbridge, and I know that it has been throughout its career of immense value to the district in which I live. I believe it has a greater and more valuable work still before it.

On my recent visit there I noticed experiments that were being conducted along the line of poultry and egg production, and I am sorry that the hon. member for Victoria City (Mr. Tolmie) is not in his seat to hear these statements. Mr. Fairfield, of the Lethbridge experimental farm, has been taking a great interest in the matter of poultry and egg production, especially in the testing of high grade breeds of fowl. He has a special flock of Barred Rocks, from which he has derived hens that have produced at the rate of 323 eggs per year. Where you can produce a hen that will lay an egg every day in the year, except Sundays and even sometimes on Sundays, you are going some. The value of that is beyond computation. The ordinary farm fowl is doing well if she lays from 100 to 125 eggs per year. Therefore a fowl that will lay 323 eggs in the course of twelve months multiplies your yearly production by three. It will be seen that when you have accomplished such a result as that you have achieved something of immense benefit to the farm wives of this country. In that experiment alone enough revenue has been contributed to defray more than one year's expense of conducting that experimental farm.

Now take other lines of work. It was only a few years ago that we were afflicted with a plague of grasshoppers in the West, and immense damage was being done all over that country. The Dominion experimental farm sent out to us Professor Strickland who had studied fully the methods of exterminating the pest. As a result of his labours a stop was put to the ravages of the grasshoppers in the course of two or three years, and millions of dollars were saved to the farmers of western Canada. You cannot get away from the value of experiments of that kind.

Then take the crop, referred to by my hon. friend the member for Macleod (Mr. Coote) a few minutes ago which yielded 76 bushels of wheat to the acre. That was Marquis wheat which was developed as a result of tests in the experimental farms of this country. Thus we have had results of the most valuable kinds in breeding different varieties of wheat, and in raising the standard of live stock and other products of the farm, results that are greatly increasing the production and wealth of this country. I do not think we can afford to cut one dollar from the appropriation for the maintenance of these experimental farms. I am fully in favour of that appropriation and shall vote for it very heartily. There may be some substations in isolated districts that could very properly be dispensed with, but action along that line can well be left to the good judgment of the Minister of Agriculture.

Item agreed to.

Progress reported.

On motion of Mr. Graham the House adjourned at 10.30 p.m.

Monday, March 31, 1924

The House met at three o'clock.

HOME BANK

RESOLUTION REFERRED TO BANKING AND COMMERCE COMMITTEE

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the resolution adopted by this House on Thursday, 27th March, as follows:

"That in the opinion of this House, in view of the failure of the Home Bank and of the fact that official prosecutions and inquiries have been instituted, including the royal commission which has been appointed to investigate the facts alleged in the petition represented by the depositors of the bank and the affairs of the bank generally; and considering that the evidence received and to be taken before the several tribunals will be available for consideration, the select standing committee on Banking and Commerce should be instructed to consider the provisions of the Bank Act with a view to recommending such amendments to the act as will better protect the interests of depositors generally and will prevent similar occurrences in the future; and also to consider the report of the royal commission in its bearing upon these matters and with respect to the possibility of saving the Home Bank depositors from loss."

be referred to the select standing committee on Banking and Commerce for such action as the committee may deem advisable.

Mr. DEPUTY SPEAKER: This motion will require the unanimous leave of the House.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): The motion you have read, Mr. Speaker, was made by way of amendment to a motion which appeared on the order paper under the name of the hon. member for East Calgary (Mr. Irvine). On Thursday night the amendment was declared carried, but I find on the order paper to-day the original motion still remaining, and with no reference made to the amendment. I do not know that I can explain it, but I presume it is because the Speaker on Thursday night, after putting the amendement, did not put the motion as amended.

Mr. MACKENZIE KING: Oh yes.

Mr. MEIGHEN: I did not hear it put. If it was put, the motion should not appear on the order paper to-day.

Mr. W. C. GOOD (Brant): I do not see the motion on the order paper to which the right hon. gentleman refers. It is another resolution that is on the order paper.

Mr. MEIGHEN: Oh yes, it is another one. But was the motion as amended put?

Mr. MACKENZIE KING: Yes, it is recorded in the Votes and Proceedings of Thursday, March 27, as appears on page 99:

And the question being put on the said amendment, it was agreed to, on the following division.

Then after the division I find this:

And the question being put on the main motion, as amended, it was agreed to.

Mr. GOOD: I would like to inquire from the Prime Minister what is the effect of referring this resolution or the amended motion to the committee, whether or not the committee is supposed to reconsider the propriety of going on with this investigation. I do not quite understand the effect of the motion now made.

Mr. MACKENZIE KING: The motion now made is to give effect to the amended resolution that passed this House the other evening whereby certain matters were referred to the Banking and Commerce committee. The motion has been worded in the terms of the amendment, so that everything that was included in the amendment will go to the Banking committee.

Mr. MEIGHEN: I have not looked up the Votes and Proceedings, but a reference to Hansard shows that my recollection was correct. The motion as amended does not appear as put in Hansard, page 789.

Mr. MACKENZIE KING: The Votes and Proceedings are the official record of parliament—

Mr. MEIGHEN: So is Hansard.

Mr. MACKENZIE KING: —and my own personal recollection of what took place that evening accords entirely with the record in the Votes and Proceedings.

Mr. ROBB: May I bring to your attention, Mr. Speaker, and to the attention of the House, that my right hon. friend himself said after the division, as will be seen by page 789 of Hansard:

Mr. Meighen: Mr. Speaker, how can there be an amendment carried to a motion that is withdrawn? The amendment is to the motion; the amendment having passed, there is no motion.

Mr. MEIGHEN: I know; that is correct. There is no motion as originally put once an amendment passes, but there is a motion as amended, and the duty of the Speaker is to put the motion as amended, which I observed at the time was not done, and the Hansard record shows that.

Mr. LAPOINTE: I quite remember my right hon. friend saying that, and we called the attention of the Speaker to it. The Speaker spoke in a rather low voice, but he said "The motion as amended is carried."

Mr. MEIGHEN: The point I drew attention to was this: The Speaker wanted to carry out the desire of the hon. member for East Calgary to have his motion withdrawn and asked for unanimous leave, just as it appears in Hansard. I said it could not now be withdrawn and gave my reasons, and there the matter closed. That evidently carried the Speaker's mind away from the point. It was only an oversight on his part, I know, and I have no objection whatever to a correction being made.

Mr. LAPOINTE: I think I am right in stating that the Deputy Clerk of the House went to the Speaker's chair and called his attention to the point, and then the Speaker corrected himself by saying that the motion as amended was carried.

Mr. HOCKEN: You are altogether wrong.

Mr. BLACK (Yukon). I remember the occasion distinctly, and members in this part of the House discussed at the time what would be the fate of that main motion. We argued that the main motion as amended should be put, and that is what should have been done. We waited with interest to see whether it would happen or not. It did not. It is an oversight it did not happen, but it is no use trying to bolster up the Votes and Proceedings and say it was done when it was not done.

[Mr. Meighen.]

Some hon. MEMBERS: Order.

Mr. MANION: My distinct recollection is exactly as the hon. member for Yukon (Mr. Black) mentions, and the reason I say this is because I think the Votes and Proceedings should be put in order if they are out of order. Hansard agrees with our understanding. I remember the discussion on this side of the House and remember speaking of the thing being out of order as the motion had not been completely put.

Mr. DEPUTY SPEAKER: I see by the Votes and Proceedings that the motion as amended was agreed to.

Motion (Mr. Mackenzie King) agreed to.

SELECT STANDING COMMITTEES

MINES, FORESTS AND WATERS—INDUSTRIAL AND INTERNATIONAL RELATIONS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That a special committee be appointed to prepare and report, with all convenient speed, lists of members to compose the select standing committees constituted by this House on Thursday, 27th March, instant, said committee to be composed of Messrs.: Béland, Copp, Low, Kyte, Papineau, Tolmie, Boys, Johnston, and Halbert, and that that portion of rule 10 limiting the number of members of the said committee be suspended in relation thereto.

Motion agreed to.

PRIVATE BILLS—AGRICULTURE

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the names of Messrs Duff, Kay and McBride be substituted for those of Messrs Marcil (Bagot), Boucher and Davies on the select standing committee on Miscellaneous Private Bills and that the name of Mr. Davies be substituted for that of Mr. McBride on the select standing committee on Agriculture and Colonization.

BUSINESS OF THE HOUSE

MONDAY SITTINGS

Right Hon. W. L. MACKENZIE KING (Prime Minister): It would be well, I think, at this time for me to move the resolution that appears on the order paper with respect to government business, and which is as follows:

That on Monday, the 7th of April, and on subsequent Mondays to the end of the session, government Notices of Motions and government Orders shall have precedence after Questions and Notices of Motions for Production of Papers.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): This motion does not come usually so early. I suggest there is

no need of it until the government is ready with its budget.

Mr. MACKENZIE KING: The government is anxious to get on with business as rapidly as possible. I think it is desirable to give this notice at as early a date as may be convenient. Usually when a similar notice has been brought to the attention of the House there has been some exception taken to the date fixed. It would be well, if there is an exception to be taken on the present occasion, that it be taken at once. In the opinion of the government it is desirable that we should take Mondays for government work after April 7.

Mr. ANDREW KNOX (Prince Albert): There is a notice of motion standing in my name on the order paper that we had planned to take up to-day, but the Minister of Railways is not here at present and therefore we cannot deal with it very well. I should therefore like to have some assurance from the government that an opportunity will be given for dealing with this motion at a later date.

Mr. MACKENZIE KING: I think there are one or two other motions that precede the resolution of my hon. friend, and probably the Minister of Railways will be here before his motion is reached. If it is reached, and the matter has had to be delayed on account of the absence of the Minister of Railways, the government will arrange a date for its discussion.

Mr. W. C. GOOD (Brant): I feel that this is a retrograde move. It is not many weeks since the session opened, and I would suggest that Monday is really the only opportunity given here for the emergence of new ideas. Anything that is not settled upon by the government as a government measure will therefore be practically stifled if this motion is proceeded with. It seems to me that if we are going to follow the practice outlined in the resolution we are going to put a damper upon what is very necessary, particularly at this time in the history of our country. I do think the government ought to provide continued opportunity for private members to advance what they think is of interest and importance to the country. The difficulty about Wednesdays, as every hon. member knows, is that one cannot get a vote on that day if there is any opposition, and it means practically that Wednesday is of no use for the purpose of private members' resolutions except simply to ventilate ideas as far as time may permit. I want to submit that it is a movement in the wrong direction to cut off private members' days at so early a period in the session.

Mr. MACKENZIE KING: My hon. friend brings forward a point which has often been discussed, namely, whether hon. members are afforded sufficient opportunity to deal with the resolutions which appear in their names. I am correct, I think, in saying that at least six times this session a complete list of resolutions appearing in the names of private members has been called, so that my hon. friend—with respect to resolutions of his that appeared on the order paper at all early in the session—has had at least six opportunities up to the present time of dealing with them. I do not think the government is unduly limiting discussion.

Motion agreed to.

UNITED CHURCH OF CANADA.

Mr. MURRAY MacLAREN (St. John City and Counties of St. John and Albert): I desire to present three petitions of the members and adherents of St. Columba's Church, Fairville, N. B., Greenock Church, St. Andrew's N. B., and Presbyterian Church of St. Martin's, N. B., against the incorporation of the United Church of Canada.

THE BUDGET

On the Orders of the Day:

Sir HENRY DRAYTON: I desire to ask the Acting Minister of Finance if he is ready to give the date for the delivery of the budget yet?

Mr. ROBB: Not yet.

Sir HENRY DRAYTON: Is my hon. friend prepared to state whether it will be next week?

Mr. ROBB: I am not sure as to next week, I will try and let my hon. friend know before the end of the week.

ALBERTA MINERAL TAX ACT

On the Orders of the Day:

Mr. ROBERT GARDINER (Medicine Hat): I should like to ask the government if they have received from the Canadian Pacific Railway Company or the Hudson's Bay Company, or from both, a petition asking that certain legislation passed by the Alberta legislature, known as the Mineral Tax Act, be disallowed and what action they have taken in regard thereto.

Hon. ERNEST LAPOINTE (Minister of Justice): The government have received petitions from the parties mentioned by my hon. friend, and other parties asking for the

disallowance of that act. The question is under consideration.

DAM ACROSS ST. LAWRENCE

On the Orders of the Day:

Mr. JOSEPH ARCHAMBAULT (Chambly and Vercheres): I should like to call the attention of the government to a despatch from New York which appears in the Montreal Standard of yesterday regarding a project for the construction of a dam across the St. Lawrence river for the development of electrical power to be supplied to New York, Boston and other large cities in the north-east. Has the government any knowledge of such project, and has any company applied for authority to develop such power?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Replying offhand I would say to my hon. friend that I am not aware of the government having received any official intimation of the matter to which he refers. I understand that the despatch itself has since been denied.

Mr. ARCHAMBAULT: When?

Mr. BUREAU: In this morning's papers.

CHICAGO DRAINAGE CANAL

On the Orders of the Day:

Sir HENRY DRAYTON: This would be a proper time to ask the leader of the government whether he has yet obtained the consent of the United States government to table further correspondence in connection with the diversion of water from the upper lakes.

Mr. MACKENZIE KING: Yes we have received consent and the correspondence is ready for submission. It will be tabled either to-night when the House rises or to-morrow.

Mr. MEIGHEN: In that connection I hope the government will see to it that an opportunity is given for the resumption of the debate on the motion of the hon. member for North Toronto. The papers had not been tabled by the government when the debate was under way.

Sir HENRY DRAYTON: I think that was agreed at the time.

Mr. MACKENZIE KING: My hon. friend is correct. The debate was adjourned with the understanding that it would be continued after the papers were down.

POSTAL WORKERS

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): I should like to ask the government if they are aware of a despatch in this morning's press to the effect that the postal workers have called a strike for April 14, and if the government has taken any action to prevent such strike?

Right Hon. W. L. MACKENZIE KING (Prime Minister): With the exception of the report to which my hon. friend refers the government has no intimation as to the matter to which he refers. I may say, however, that from a reading of the despatch it would appear that the representatives of the postal employees who were present at the meeting in Toronto on Saturday were acting in accordance with instructions given them apparently several days ago, at the time the announcement was made that the bonuses would be reduced but before any intimation had gone to the employees as to the terms on which the Civil Service Commission would be asked to revise salaries. I might make it clear at this moment that the government in referring the matter of salary revision to the Civil Service Commission intimated that in its opinion should the salary revision give to any employee a salary larger than he would be in receipt of in virtue of the reduction of his bonus effected under the change, that the revision should date back to the first of the fiscal year 1924-5, beginning April 1, so that so far as the bonus was concerned that difference would be made good. I think, under these circumstances, it is hardly probable that this matter will go any further.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): In the same connection may I ask the Prime Minister: Are the instructions to the Civil Service Commission, in relation to the revision in salaries, in writing? Are they in the form of an order in council? And do they direct a revision upwards?

Mr. MACKENZIE KING: There was an order in council passed in the matter; I think I had better lay it on the Table. I shall do so tomorrow.

PRIVATE BILLS

BURRARD INLET TUNNEL AND BRIDGE COMPANY

Mr. CLARK moved the second reading of Bill 22, to amend an act respecting the Burrard Inlet Tunnel and Bridge Company.

Mr. MARCIL (Bonaventure): There is a standing rule of the House that bills must be printed in both languages before they can be proceeded with. I raise that objection to this order.

The DEPUTY SPEAKER: These two bills do not appear to be printed in French;

for that reason I order that the two bills on the order paper of the second reading for today, Nos. 22 and 23, must stand.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

MILITARY DISTRICTS

Mr. LANCTOT:

1. What is the present number of Military Districts in Canada and where located?
2. What is the period of the tenure of appointment of an Officer Commanding a Military District?
3. What was the salary attached to that position including allowances in the respective years 1910, 1912, 1914, 1916, 1920 and 1924?
4. What is the name, the rank, the date of 1st appointment, the date of extensions, if there are some, of the Officers Commanding Districts 4, 5, 6, 10 and 11?
5. Does the Department of National Defence intend to place the above Officers on the Reserve and Pension at the expiration of the present tenure of appointment to permit the promotion of other Officers of the Permanent Force before being too old in the Service?

Hon. Mr. MACDONALD:

1. There are eleven Military Districts in Canada with Headquarters as follows:
Military District No. 1, London, Ont.
Military District No. 2, Toronto, Ont.
Military District No. 3, Kingston, Ont.
Military District No. 4, Montreal, P.Q.
Military District No. 5, Quebec, P.Q.
Military District No. 6, Halifax, N.S.
Military District No. 7, St. John, N.B.
Military District No. 10, Winnipeg, Man.
Military District No. 11, Victoria, B.C.
Military District No. 12, Regina, Sask.
Military District No. 13. Calgary, Alta.

2. Four years, which may be extended under the provisions of Para 109, King's Regulations and Orders (Canada) 1917.

3.
1910, $3,000.00 per annum.
1912, $4,000.00 per annum.
1914, $4,000.00 per annum.
1916, $4,000.00 per annum.
1920, $6,000.00 per annum.
1924, $6,000.00 per annum.

The salary attached to this position is fixed by Pay and Allowance Regulations, and is not dependent upon the rank held by the officer filling the position.

4. Military District No. 4. Colonel Commandant (Hon. Brigadier General) C. J. Armstrong, C.B., C.M.G. Appointed 1st October, 1919. (One year extension to 30th September, 1924).

Military District No. 5. Colonel Commandant (Hon. Brigadier General) J. P. Landry, C.M.G. Appointed 1st October, 1919 (one year extension to 30th September, 1924).

Military District No. 6. Major General H. C. Thacker, C.B., C.M.G., D.S.O. Appointed 1st October, 1919 (one year extension to 30th September, 1924).

Military District No. 10. Major-General H. D. B. Ketchen, C.B., C.M.G. Appointed 1st October, 1919 (one year extension to 30th September, 1924).

Military District No. 11. Colonel Commandant (Hon. Brigadier General) J. M. Ross, C.M.G., D.S.O. Appointed 15th January, 1920 (one year extension to 14th January, 1925).

5. The matter has not yet been considered.

PORT NELSON—DREDGING

Mr. BIRD:

1. What is the amount, in cubic yards, of the dredging that will be required before ships can dock at Port Nelson?
2. What work remains to be done in order to complete the artificial island at Port Nelson, and what is the estimated cost of this work?

Right Hon. Mr. MACKENZIE KING: This question was answered on the 28th March, so it will be dropped.

MILITARY HOSPITALS

Mr. ROSS (Kingston):

1. How many patients have been sent from Kingston district to Ste. Anne's Hospital during the year 1923?
2. How many days' treatment did these cases receive?
3. How many patients have been sent from Kingston district to Christie Street Hospital during the year 1923?
4. How many days' treatment did these cases receive?
5. How many patients have been sent from Kingston district to hospitals outside Kingston, other than Christie Street and Ste. Anne's?
6. How many days' treatment did these cases receive?

Hon. Mr. BELAND:

1. 71.
2. 3,916.
3. 51.
4. 4,188.
5. 15.
6. 1,523.

MANITOBA LIQUOR LICENSES

Mr. WARD:

1. Does the government's policy limit in any way the number of brewers' licenses which may be issued in Manitoba?
2. Has the government yet established any policy as to the issue or continuance of licenses to brewers convicted of infractions of law, and if so, what is its policy?
3. Has the government given consideration to the proposal that it should adopt the policy of refusal to issue permits for manufacture of liquor within the bounds of those provinces in which the importation and sale of liquor for beverage purposes is prohibited? If so, what conclusion was reached or policy established?

Hon. Mr. BUREAU:

1. There is a government policy limiting the number of brewers' licenses in the province of Manitoba.

2. The government has no policy with regard to the issue of licenses in Manitoba. The law regulates that.

3. In answer to the first part of the question; "Has the government given consideration to the proposal that it should adopt the policy of refusal to issue permits for manufacture of liquor within the bounds of those provinces in which the importation and sale of liquor for beverage purposes is prohibited?"—I say again, that is governed by regulation. Then, in answer to the latter part of the question, "If so, what conclusion was reached or policy established?"—I may say that as far as the Department of Customs and Excise is concerned, under whose control these matters come, there have been no such proposals made.

MR. DUNCAN MARSHALL

Mr. SUTHERLAND:

1. How much money has been drawn by Mr. Duncan Marshall in salary and how much in expenses, since the present government came into power?

2. What countries has Mr. Marshall visited, and how often to each, at the expense of the government, since the present administration came into power?

Hon. Mr. MOTHERWELL:

Department of Agriculture:

1. Mr. Marshall was paid $11,774.19 for salary and $7,863.79 for expenses.

2. Two trips to United States; two trips to Great Britain; one trip to Great Britain and France.

Department of Immigration and Colonization:

1. $300 on account of expenses.

2. United States, once.

MONTREAL CHAUFFEURS AND TAXI DRIVERS

Mr. CASGRAIN:

1. Did the Honourable the Minister of Labour receive a communication from an organization known as: The Montreal Chauffeurs Protective Association?

2. If so, what were the complaints therein set out?

3. Did this association request the intervention of the minister and his department?

4. Did the minister order an inquiry?

5. If so, who was the official who conducted the inquiry?

6. Did he make a report to the minister?

7. If so, what was the nature of such report?

8. Did the Bramson Taxi Cab and the Yellow Taxi Company, Limited, make new representations to the Minister of Labour?

9. What further action did the minister take?

10. Is the departmenet prepared to lend its assistance to the chauffeurs and taxi-drivers of Montreal and the Montreal Chauffeurs Protective Association?

11. Is the minister prepared, if such is demanded, to establish a Board of Conciliation, in order to prevent a dispute?

[Mr. Ward.]

12. Is the minister prepared to recommend the appointment of a Royal Commission, in order to more fully investigate the situation between the Bramson Taxi Cab and the Yellow Taxi Company, Limited, and the taxi-drivers and chauffeurs of Montreal?

13. Did the Montreal Chauffeurs Protective Association file with the department a copy of its constitution and by-laws?

Hon. Mr. MURDOCK:

1. Yes. Letter dated at Montreal, November 20, 1923, over the signature of Mr. H. W. Watt, business agent, Montreal Chauffeurs' Protective Association.

2. Complaint was made that the Bramsons Auto Service Limited had posted notices on their premises to the effect that any of their drivers becoming members of the Montreal Chauffeurs' Protective Association would be instantly dismissed.

3. Yes.

4. Yes. November 23, 1923.

5. Mr. E. McG. Quirk.

6. Yes.

7. Mr. Quirk's report merely confirmed the employees' statement regarding the action taken by the Bramsons Auto Service Limited, namely, that the company had notified its chauffeur employees that if they or any one of them joined or became identified with the Montreal Chauffeurs' Protective Association, they would be discharged from the company's service.

8. The company made a statement of its attitude and views to Mr. Quirk.

9. A copy of the company's statement mentioned in No. 8 was forwarded to the business agent of the Montreal Chauffeurs' Protective Association.

10. The department is always prepared to lend its good offices so far as possible in connection with the settlement of industrial disputes brought to its attention.

11. If an application for a board of conciliation and investigation is received, all of the facts, circumstances and the authority of the department in the matters referred to will be considered and a decision will then be given on this point.

12. The Minister has been unable in connection with this matter to find sufficient ground to justify a recommendation for the appointment of a royal commission.

13. Yes, through Mr. Quirk.

BUREAU OF STATISTICS

Hon. Mr. STEVENS:

1. What is the total number of employees engaged in the Bureau of Statistics Branch?

2. What is the total amount of their salaries?

3. What is the cost of printing and publishing the various statistical returns?

4. What is the total revenue to the department from sale of publications and what other revenue is secured?

Hon. Mr. LOW:

1. March 24, 1924, 380 (including 122 Census); April 1, 1924, 354 (including 119 Census).

2. Salaries for month March, 1924, $35,-282.48; salaries for month April, 1924, $33,-010.83.

3. 1923-24, $89,429.70; estimated cost for 1924-25, $75,000.

4. 1923-24, $807.40; no other revenue.

OVER GRADING OF WHEAT

Mr. MILLAR:

1. Has litigation ceased over the cargo of wheat shipped from a private elevator at Fort William to Buffalo in 1922, and held there for some time by order of the Board of Grain Commissioners because the American buyers refused to accept it on grounds of over grading?

2. Did this government sustain any financial loss because of such over grading? If so, how much?

Hon. Mr. LOW:

1. The department is notified that the suit entered against the bonding company is now ready for trial and will probably be heard within the next two weeks. The Board of Grain Commissioners did not order the cargo to be held but instructed an inspector to go to Buffalo and draw samples at the unloading of cargo there.

2. No.

REFUNDING LOAN

Sir HENRY DRAYTON:

1. What are the expenses in connection with the refunding loan of $200,000,000 floated this year (a) on the five-year bonds and (b) on the twenty-year bonds?

2. What are the expenses in connection with the railway loan of $50,000,000 issued this year and guaranteed by the government?

Hon. Mr. ROBB:

1. Tenders were called for and the issue awarded to a Canadian financial syndicate. Five-year bonds realized 96.75 and accrued interest, and twenty-year bonds 96 and accrued interest. Commissions to banks and brokers, advertising expenses, and such other charges as are usually included in flotation expenses, were borne by the syndicate. For printing interim certificates and bonds, and clerical assistance, etc., in connection with their issue, and the taking in of maturing bonds, the Department of Finance has spent $182,328.96.

2. The railway issue was also sold by tender to a Canadian syndicate, and realized 97.813 and accrued interest. Commissions, advertising expenses, etc., were paid by the brokers. Expenses of the railway company for printing securities are not yet fully ascertained.

CHICOUTIMI WHARF

Mr. SAVARD:

How many ships docked at the Chicoutimi wharf during the years 1921, 1922, 1923 and 1924, respectively, and what was the amount collected by the government from said wharf during above period?

Hon. Mr. CARDIN:

Most of the traffic at Chicoutimi wharf is carried on by vessels operating on account of the Canada Steamship Lines, Limited, and Messrs. Price Bros., Limited, which companies have obtained commutation of wharfage. The department has not at hand the number of calls of vessels operating for the above companies, as the commutation is determined by the bulk of traffic rather than by the number of calls.

	Commutation Price Bros. Ltd.	Canada SS. Lines.
1921	$575.00	$500.00
1922	4,000.00	500.00
1923	5,000.00	500.00

Other vessels docking were:

	Vessels
1921	24
1922	37
1923	37

Total collections:

1921	$4,928.84
1922	5,638.43
1923	7,818.90

Season 1924 not yet open.

COPYRIGHT ACT

Mr. RINFRET:

1. Has the government received requests for licenses to publish Canadian works since the putting into force of the Copyright Act, January 1, 1924?

2. If so, what publishing houses have made these requests, and for what works?

3. Is it the intention of the government to grant such requests?

Hon. Mr. LOW:

1. No.

2 and 3. Answered by No. 1.

IMMIGRATION DEPARTMENT, QUEBEC

Mr. DOUCET:

1. Who was awarded the contract in 1922, for the restaurant and canteen in connection with the Immigration Department at Quebec?

2. Was this contract awarded in 1923? If so, in favour of whom?

3. Were complaints made in 1922 and 1923 against those who held the contract?

4. Were reports made in 1923 to the government by the Abbe Casgrain of Quebec, against the service of the restaurant and canteen.

5. Was an official of the Department of Immigration sent, following these reports, as controller or superintendent of the said service? If so, how long was he employed, on what date was he recalled and for what reason?

6. Did this official report to the government relating to said service?

7. Were reports made by the official in charge of the Health Department at Quebec or Ottawa, or by the officials of that department, relating to said service and the carrying out of the hygienic regulations by the contractors?

8. Has the government received any further correspondence except that referred to above, relating to said service?

Hon. Mr. ROBB:

1. Joseph R. H. Byrne and Paul E. Paquet.
2. Yes. Joseph R. H. Byrne.
3. Yes.
4. Yes.
5. (a) Yes, but before complaints were made by Abbe Casgrain. (b) From May 6 to October 24. (c) To resume his position in Montreal.
6. Yes.
7. No.
8. Yes.

MR. J. E. FEATHERSTONE

Mr. CAMPBELL:

1. Is Mr. J. E. Featherstone, formerly of the Department of Immigration and Colonization, still an employee of the government, and if so, in what capacity is he employed?

2. What were the reasons for Mr. Featherstone's removal from his former position?

Hon. Mr. ROBB:

1. Yes; as Commissioner of Immigration for Canada in China, with headquarters at Hong Kong.
2. To fill new position.

FISHERIES OVERSEER—QUEENS COUNTY

Mr. HANSON:

1. Has W. E. Fraser of Queens county, Nova Scotia, been requested to resign the position of fisheries overseer for West Queens, and if so, has he resigned?

2. Why was Mr. Fraser requested to resign?

3. Were any charges made or laid against him? If so, who made or laid such charges, and what were their nature?

4. Was an investigation held? If so, by whom and with what result?

5. Is it the intention of the department to fill the position, or to amalgamate the duties with those of the Overseer of Fisheries for East Queens?

Hon. Mr. CARDIN:

1. The Chief Inspector of Fisheries requested him to resign and he has done so.

2. On account of irregularities in accounting for fishery license fees and in connection with the delivering of licenses to licensees.

3. A fisherman wrote to the department explaining that he had paid $24.00 to the overseer as fees on four trap licenses, and that he found that others had paid only one dollar each for similar licenses. As only four dollars had been forwarded to the department on account of these licenses enquiries were instituted by it through the Chief Inspector of Fisheries for the district.

4. Answered by 1, 2 and 3.

5. The Civil Service Commission has been asked to fill the vacancy.

SEED GRAIN RELIEF TO SETTLERS

Mr. COOTE:

1. What is the total amount advanced to settlers by the Soldier Settlement Board for seed grain and relief since the formation of the board?

2. How much of this amount has been repaid?

3. What amount has been paid to settlers for breaking land or other improvements?

4. What amount has been expended by the board for land surveys?

5. How much has been expended by the board for building roads?

Hon. Mr. ROBB:

1. Seed, $1,863,513.94; subsistence, $100,915.58.

2. Impossible to state as indebtedness of settlers has been consolidated.

3. Total loans for breaking, $666,739.02; clearing, $143,082.21; draining, $14,014.25. Impossible to state what proportion of these amounts paid to the settlers and what to other parties.

4. Nil.

5. $39,050.71.

MANUFACTURE OF FARM IMPLEMENTS

Mr. PREVOST:

1. What was the total amount of farming implements manufactured in Canada for the years 1920, 1921, 1922, 1923, respectively?

2. What was the total amount of said farming implements exported for the years 1920, 1921, 1922, 1923, respectively?

3. What was the total amount paid out in duty by said manufacturers for raw material for the years 1920, 1921, 1922, 1923, respectively?

Hon. Mr. LOW:

1. The total value of farming implements manufactured in Canada for the years ended December 31, 1920, 1921, 1922 and 1923, was as follows:

1920	$44,073,847
1921	36,763,160
1922	18,240,381
1923	(a)

(a) The statistics of production for 1923 are in process of collection and are therefore not available.

2. The total value of Canadian farm implements and machinery exported from Canada for the years ended December 31, 1920, 1921, 1922 and 1923, was as follows:

1920	$12,197,994
1921	7,615,825
1922	5,041,044
1923	8,187,492

3. Imports of raw materials for use in the manufacture of farming implements are not separately classified for statistical purposes, and information as to the total amount of duty paid on such raw materials is not available.

PHYSICIANS D.S.C.R.—OTTAWA

Mr. BLACK (Yukon):

How much per annum are the eighteen medical doctors at Ottawa in the employ of the Department of Soldiers' Civil Re-establishment paid by the government?

Hon. Mr. BELAND:

$68,900.

UNITED STATES COIN

Mr. KENNEDY (Edmonton):

1. Was United States coin gathered in Canada transferred to the United States previous to the year 1920?
2. If so, was a profit made on the transfer of such coin.
3. What were the amounts transferred during the years 1917, 1918, 1919 and 1920?
4. What profit was made in each of the said years?
5. Has the transferring of United States coin been discontinued since 1920?
6. If so, why?

Hon. Mr. ROBB:

1. Yes.
2. No.
3. 1917-18, $1,367,676.22; 1918-19, $853,638.48; 1919-20, $674,849.08.
4. Answered by No. 2.
5. At the expense of the government, yes.
6. In view of the prevailing premium on New York funds, it was not considered necessary for the Department of Finance to pay shipping charges and bank commission.

COMBINES INVESTIGATION ACT, 1923

Mr. SUTHERLAND:

Referring to the answer to question of Mr. Sutherland of 10th March, 1924, to the effect that complaints of violation of the Combines Investigation Act, 1923, had been informally laid and had been investigated and that the results of such investigations had avoided the necessity of prosecution.

1. What complaints were laid and by whom?
2. Against what persons, companies or corporations were such complaints laid?
3. Had such complaints not been laid what prosecutions would have been necessary or justified, and for what offence and against whom?

Hon. Mr. MURDOCK:

1. It is not in the interest of the public to give the information requested.
2. See answer to 1.
3. Not understood.

D.S.C.R.—HOSPITALS

Hon. Mr. MANION:

1. What hospitals are used in Montreal for patients of the Department of Soldiers' Civil Re-establishment?
2. Are any hospitals wholly employed by this department?
3. What other institutions are under control of the Soldiers' Civil Re-establishment in Montreal?

Hon. Mr. BELAND:

1. The majority of patients admitted for treatment in Montreal are sent to the hospital at Ste. Anne de Bellevue; some patients are referred to the Montreal General hospital; certain special cases to the Royal Victoria hospital; and terminal incurable cases to the Mount Royal hospital.
2. No.
3. None. The only hospital operated by the department in the province of Quebec is situated at Ste. Anne de Bellevue.

SALES TAX EXEMPTIONS

Mr. ANDERSON:

What commodities have been exempted from the present sales tax by order in council?

Hon. Mr. ROBB: Commodities exempted: Barley meal; usual coverings to be used exclusively for covering goods not subject to the consumption or sales tax; materials to be used exclusively in the manufacture of usual coverings to be used for covering goods not subject to the consumption or sales tax; woollen rolls or wool yarn milled for a producer of wool from such wool supplied by him for his own use; articles admitted to free entry under Customs Tariff item 692; goods enumerated in Customs Tariff item 139; bakers' cake and pies, not to include biscuits.

Also, printing paper for use exclusively in producing newspapers and quarterly, monthly and semi-monthly magazines, weekly literary papers unbound, hymn books, religious tracts and Sunday school lesson pictures—reduced by fifty per cent, on the amount of consumption or sales tax.

MR. W. T. R. PRESTON

Hon. A. B. COPP (Secretary of State): On the 26th March a question was asked by Mr. Maybee relating to the positions held by Mr. W. T. R. Preston, question No. 20. When the information came to the office one department was overlooked, and not included in the answer. I beg to lay on the Table the answer as relates to that department. The question was:

Mr. MAYBEE:

1. What positions have been held by Mr. W. T. R. Preston since the present government came into power?
2. For how long has he held each position?

3. How much in remuneration and expenses has he drawn in each position?

4. Is he still in the employ of the government?

5. If so, just what is he doing and what does he receive?

The remainder of the answer is as follows:

Department of Labour:

1. (a) Chairman of board of conciliation in dispute of the Algoma Eastern Railway and its employees.

(b) Chairman of board of conciliation in dispute of the Pere Marquette Railway Company and its shop employees.

(c) Chairman of board of conciliation in dispute of the Pere Marquette Railway Company and its steamship clerks, freight handlers, etc.

2. (a) April 21, 1922, to June 17, 1922.

(b) July 21, 1922, to September 15, 1922.

(c) August 10, 1922, to September 14, 1922.

3. (a) Services $320, expenses $159.80; total, $479.80.

(b) Services $425, expenses $245.06; total, $670.06.

(c) Services $235, expenses $202.16; total, $437.16.

4 and 5 No information.

QUESTION PASSED AS ORDER FOR RETURN.

HALIFAX—DOMINION PROPERTY

Mr. BLACK (Halifax):

1. What is the estimated value of Dominion owned real property situated in (a) the city of Halifax; (b) the county of Halifax outside of the city under the direction or control of (1) Department of Public Works; (2) Department of National Defence; (3) Post Office Department; (4) The Canadian National Railways; (5) other government departments, respectively?

2. Since the consolidation of the Intercolonial Railway with the Canadian National system has there been any change in the assessment of the property formerly belonging to the Intercolonial?

3. If so, what is the change?

4. Does the system pay any municipal tax in the province of Nova Scotia?

5. If so, what municipal taxes are paid in Halifax city and county?

6. Is there any difference so far as taxation is concerned in the province of Nova Scotia in assessment and taxation of property formerly owned by the Intercolonial and the property of the other lines of the Canadian National Railways system?

UNOPPOSED MOTIONS FOR PAPERS.

SIX NATIONS INDIANS

Mr. SENN:

For a copy of the report of Commissioner A. T. Thompson, who was appointed to investigate conditions among the Six Nations Indians. Also a copy of all evidence, letters, correspondence and other documents in the possession of the government in this connection.

[Mr. Maybee.]

BELLE RIVER IMPROVEMENTS

Hon. Mr. STEVENS:

For a copy of all letters, telegrams, documents, correspondence and contract, if any, between the Minister of Public Works or any official of the Department of Public Works, or any other minister or official of the government, and the Northern Navigation Company, or member for North Essex, or other parties, having reference to proposed harbour improvements at Belle River and referred to in public works vote 157.

OTTAWA PROPERTY OWNED OR LEASED BY THE GOVERNMENT

Hon. Mr. STEVENS:

For a return showing properties rented for governmental purposes in Ottawa and date when rented and date of expiry of lease, if any, giving floor space and annual rental in each case; also statement of vacant properties owned by the government in Ottawa showing ground area, purchase price and annual carrying charge including taxes in each case.

PRIVATE JOHN J. QUILTY

Hon. Mr. BAXTER:

For a copy of all papers, correspondence, telegrams and other documents in the possession of the government, with reference to the case of Private John J. Quilty, No. 3257368, so far as the same deals with his enlistment and discharge, and including any correspondence with the Canadian Pacific Railway with reference to an alleged forgery of documents in connection with his case.

HOME BANK—CORRESPONDENCE

Sir HENRY DRAYTON:

For a copy of all correspondence, petitions, telegrams and documents exchanged between the government or any member thereof or any government official and the management or any of the directors of the Home Bank since January 1, 1922.

Hon. Mr. ROBB: I do not rise to offer any objection to this resolution; but I should be glad if my hon. friend would allow it to stand until to-morrow, in order that I may consult the department as to the advisability of giving out this information while these inquiries are going on.

Motion stands.

CANADA'S COAL SUPPLY

MOTION BY MR. CHURCH FOR A NATIONAL FUEL POLICY

Mr. T. L. CHURCH (North Toronto) moved:

That, in the opinion of this House, the time has arrived for Canada to have a national policy in relation to its coal supply and that no part of Canada should be left dependent on United States for such supply.

The government should immediately consider the initiation of an all British and Canadian coal supply and that such a policy is both a social and economic necessity and in the best interests of the future of Canada.

That a duty should be placed on coal from the United States to ensure an all British supply for

Canada and thus afford adequate protection to coal mined and coked under the British flag.

That whereas coal is a necessity in effect equal to that of food it should therefore be carried on a preferential toll basis by the railway on the same basis as food.

He said: Mr. Speaker, this motion calls for a national policy for Canada in relation to its fuel supply. At the present time this country is dependent for its coal supply on the United States. If this policy is adopted, it will ensure an all-British coal supply, mined and coked under the British flag; it will preserve our own markets for our own coal products, and our own work for our own workmen. At present over $100,000,000 a year is going out of Canada for the benefit of wage-earners in the United States.

Mr. DEPUTY SPEAKER: Might I draw the attention of hon. members to the fact that difficulty in hearing is caused frequently by conversation in the chamber, and it is very hard for the hon. member to proceed with his speech?

Mr. CHURCH: It will provide work for thousands of men at present out of work in this country. The existing general exodus of from 25,000 to 28,000 a month from Canada is appalling. Canada has 20,000 miles of a national railway, we have our own merchant marine; and yet we are unable to develop the magnificent resources of the Maritime provinces, those great provinces which have done so much, before and since confederation, to make Canada what it is to-day, or to develop the resources of Alberta, a province which is so rich in natural resources. This motion proposes a national policy which would enable us to develop the great coal resources of those provinces and also to bring coal to Canada from Wales, so that all the coal we use in this country would be mined and coked under the British flag.

As the motion reads, the government should immediately consider the initiation of such a policy, which is both a social and economic necessity and in the best interests of the future of Canada. How are you going to get a national coal supply in Canada or to have a national policy in regard to Canada's coal supply, unless you adopt the basic principles of a national policy, namely a tariff to protect your own industry, the coal industry in this country, from coast to coast, to preserve your own markets for your own coal and work for your own workmen? I do not say that this can be done to-day, or in a day or two, or in the twinkling of an eye, but we should work up to it in the years that are to come.

In addition to that, the coal question to-day is 95 per cent a transportation problem, and there are many sides to this problem. In this country the Railway Commission provides for a certain preferential tariff for certain products. For instance, there is the Crowsnest pass agreement, which provides for carrying certain basic products at preferential rates from the West to the head of the lakes. There is special treatment in regard to food of all kinds. Coal to-day is just as much a necessity throughout Canada as food, because, after all is said and done, coal is a food necessity. Every article of food that appears on the table requires coal in its preparation. Besides the visible supply of coal for heating our houses, what might be called "invisible" coal is required for the generation of gas, electric light and steam in steam plants. Coal is thus, in effect, a food necessity, and for that reason it should be carried on a preferential tariff. It is so carried in the United States in many cases.

Last year this same motion was introduced in this House, not without some effect, because it led to a discussion nation-wide from coast to coast, and especially in the Maritime provinces and the great western provinces as to the appalling state of affairs and the danger the people of Canada faced in not utilising their own coal reserves. It was pointed out that they were living simply in a fool's paradise. It was stated then that Canada requires a coal supply from some other source than the United States, because Canada's dependence on the United States for its coal supply is not only a national humiliation, but a national danger. It is the duty of this parliament to take warning and to seek out some other arrangement, namely by utilising our own coal reserves. We have a national policy as regards food and clothing, and we should have a national policy as regards our coal supplies.

The question of the distribution on an equitable basis of the coal supplies of the world is one of the most pressing problems of mankind to-day, and it must be considered and dealt with in an efficient manner. This problem has been increasing in importance every year, and undoubtedly the present situation developed largely during the war when there was a scarcity of coal the world over. Every country is suffering to-day from a shortage of coal, especially Europe and the South American people. The future industrial development and the well-being of the people of the world depend as much upon an adequate supply of fuel as upon a steady supply of food. This opinion is endorsed by Mr. Herbert Hoover, the present Secretary of the Interior, in the United States government. Indeed, he declares that the civilization of Europe now

rests in the hands of the coal miners to an equal degree as it does with the producers of food, if not more so; and he contends that only an adequate production of fuel will save Europe from disaster. I do not intend to go into the question of the fuel supply. Like the financial situation, it is a matter of interlocking and international interests; the fuel supply is interrelated as between the various countries in the same way as financial interests are interlocked. The geologists of the Conservation Commission of the United States have expressed the opinion that the available coal supply in that country will actually have been exhausted within a comparatively short period, and there are frequent complaints in Washington against the shipment of coal out of that country into Canada. So that, sooner or later, there is sure to be put into force an embargo against the export of coal from the United States into Canada and other countries. This probability has been pointed out by Sir Henry Thornton, the President of the Canadian National Railways. Speaking at Edmonton quite recently Sir Henry stated:

> It is essential that the railway companies, by proper service and by such assistance as lies within their power, should do all that they can to assist in mineral development and extend the selling radius of the coal and other minerals which lie in the West. Certainly it is better and wiser for the people of Canada and the people of Ontario to buy their coal from their own people than to purchase that coal from their neighbour to the south. Because, apart from the sending out of the country each year a large amount of money, there are always embarrassing questions arising with reference to the export of coal from the United States whenever there happens to be a coal shortage in this country. One of those embarrassing questions is being discussed at the present time. I hope the day will come, and the Canadian National Railways will leave nothing undone to hasten that day, when the people of Canada will not be dependent on the United States for their coal supply, except to a very limited extent.

Sir Clifford Sifton said the other day in Ottawa at a dinner of the Conservation Commission:

> We will live to see every pound of American anthracite driven out of Canada. It will mean $100,000,000 a year to Canada.

And Dr. Frank D. Adams, Dean of the Faculty of Applied Science of McGill University, says the same thing. He declares:

> They have got us by the throat. If they chose they could freeze us to death in one winter. All of Ontario and most of Quebec now depend for their supplies on the United States.

And what does Mr. George Otis Smith, director of the Geological Department of the United States say on this question? He says that it is a menace to the United States to export every year forty per cent of their coal, and that this raw material should be preserved to the United States for the purpose of manufacturing and supplying all the nations of the world with the goods they are in need of; so that they will impose a partial if not a total restriction on the export of American coal. And the Deputy Minister of Mines in the United States says practically the same thing.

The people of Manitoba the year before last adopted the national policy in regard to the problem of their coal supply. Unable any longer to get anthracite from Pennsylvania owing to the strike and shortage they were forced to use Alberta coal, and they found it quite satisfactory. As a matter of fact, they considered it fifty per cent better than the coal they formerly got from Pennsylvania. Now, what Manitoba did in reference to her coal supply the people of Ontario and central Canada should do also. There is no reason why central Canada should not obtain a part of its coal supply from the Maritime provinces, with the assistance of the merchant marine. In my opinion the people of Ontario could very well get their coal both from the East and from the West; and what the province of Manitoba did yesterday Ontario should do to-morrow and Canada the day after. The coal supply problem is largely a matter of transportation. As was pointed out last year by the committee that investigated this matter, thousands of national cars are standing at the head of the lakes in the slack spring and summer season and while it is true that some of these cars are only wheat cars, I do not see why they could not be converted to the purposes of fuel transportation, or why a special kind of car could not be constructed to serve both purposes. Besides this, I would suggest that there be a summer rate on coal transportation. The problem of supplying the Canadian people with Canadian coal is perfectly practicable: it is purely a question of transportation. When we consider the amount of money that is paid out by the Canadian people to the United States for the coal that is imported from that country, the figures are simply appalling. Last year the total imports into Canada from the United States of this one commodity amounted to $56,000,000, this sum being paid for 12,000,000 tons of anthracite in addition to shipments of soft coal. According to a return laid upon the Table of the House last week this sum has now increased in 1923 to the astounding figure of $89,000,000. These figures can be nothing but appalling in view of the general exodus of the population from Canada. When our people are leaving the country in such large numbers, it seems to me to be a matter of the gravest concern that these stupendous amounts of money should be

paid out by the Canadian people for the support of the American coal barons, who can charge anything they like and over whom this parliament has of course no control whatever. And the situation is all the more serious when we look at the unfavourable trade balance between Canada and the United States at the present time. In my opinion the position of the Canadian people in this respect is particularly humiliating, especially from the economic labour and financial standpoints.

The mayor of Buffalo and the mayor of Boston have their officers counting the cars of coal crossing to Canada. Why does the mayor of Buffalo not order his officers to count the units of Canadian electricity that go into Buffalo to keep the factories of that city from dependence on the United States coal? They regard Canada as a Lazarus, prone in the dust, the coal dust, and prostrate beside the tracks of American coal roads, waiting to pick up lumps of anthracite or bituminous fuel from United States coal cars. The United States coal barons pick pretty easy money out of the pockets of the people of Canada;—they pick it a good deal faster than Canada picks free coal off the United States freight cars.

Canada does not need to throw American coal overboard as the tea was thrown overboard in Boston harbour on a certain historic occasion. Canada does need a government that will work out a declaration of independence that would free the homes of four millions of this country's population from their present dependence on United States coal. It is true that the American people are friendly to us, but their papers are not sympathetic in reference to the coal situation. The New York Times says that it is about time that the Canadian people looked after their own coal supply. I submit that no part of the Dominion of Canada should be left dependent on the United States for its coal supply, and the only way in which we can become absolutely independent in this matter is to adopt a national policy under which the people of Canada will use coal produced under the British flag. The account is not by any means one-sided as between Canada and the United States, for the United States to-day obtains from Canada 158,000 horse-power of electrical energy which is worth between $6,000,000 and $8,000,000. This power is exported to maintain industries on the American side. Then again there is the export of pulp wood from Canada to the United States. I think there should be an embargo on pulp wood shipments from this country. The late Minister of Justice (Sir Lomer Gouin) took very strong ground the other day when he supported a declaration of a national policy in respect to our pulpwood resources. He expressed himself in favour of an embargo on the export of pulpwood to ensure the manufacture of the raw material in Canada, thus providing employment for our workmen. A ten per cent export tax on pulpwood would return nearly $8,000,000 a year, and would enable the government to grant a bounty of $8,000,000 or $9,000,000 towards the solution of our coal problem. I do not think such a bonus would be necessary if the railway situation were thoroughly investigated, but in the absence of such investigation a bounty of $8,000,000 to encourage coal production in the Maritime provinces, and the West and the importation of coal from Wales would solve the problem of assuring the Dominion a coal supply under the British flag. That solution cannot come too soon. It is only proper that our expenditure on fuel should be distributed within our own borders. This would not only stimulate our coal mining industry,—the beneficial effects would extend to our other industries. Certainly we should not be left to the tender mercies of foreign coal miners for our fuel supply. Labour strikes may interrupt this supply at the most critical season of the year. Therefore this is a national question and should be dealt with as such.

Another feature not to be overlooked is that sooner or later we shall lose our industrial and commercial supremacy if we continue to depend on a foreign country for our coal supply. If the United States government imposed an embargo on the export of coal, our great industrial centres in Ontario and Quebec would be paralyzed. One of the foremost authorities on political economy has recently given it as his opinion that the industrial expansion of Great Britain was not due to the adoption of Cobdenism and free trade, but to the union of coal and steel. If we develop our water powers and our coal resources we shall witness the greatest industrial expansion in the history of this country. The union of steel and white coal as well as the union of steel and bituminous coal will bring this about. Ontario and Quebec are our two coalless provinces, and any interruption in our coal supply from the south would be so serious in its consequences, not only in the home but in the factory also, that the importance of the problem would be forced on the attention of the people, and it would receive the attention which it merits. Economic reasons alone are considered in the location of factories, and unless we solve this

problem of a national coal supply it is nothing more than logical that industry will leave the central provinces and go east and west so as to be close to local sources of coal. To-day American capitalists are the masters of Canada's industrial situation. There are over three and a half million men to-day out of work in free trade England. And our working men cannot get jobs here because with our low tariff we too have practically free trade, and consequently twenty-five thousand of them go to the United States every 4 p.m. month. As though this were not bad enough, we are sending $100,000,000 to the United States every year to buy their coal, although Canada is one of the richest coal countries in the world, possessing one-sixth of the world's supply. American capitalists are exploiting our timber resources, and this is apparent when we scan the directorate of the large timber and lumber companies operating in the Dominion. Now they are going into the power field as well and unless we are on our guard New York capital will soon control all our waterpowers. In a word, the American capitalists will soon have some of the title deeds of this country.

We have long deplored the failure of various governments, Dominion and provincial, to take hold of this vital question and place it on a satisfactory basis. In England one of the foremost publicists of the day, Lord Milner, has expressed himself in favour of nationalizing the coal reserves of the Mother Country, in order to get over the periodical labour troubles at the mines. Even the United States talk of controlling their natural resources coal, timber, petroleum and gas wells—and a few years ago the late President Roosevelt expressed himself on the subject in these terms:

> 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 be able to dictate to the people the management of their affairs and their way of existence. Public opinion will be their least worry.

[Mr. Church.]

Those words sound prophetic to-day when we consider what has become of the vast coal, timber and oil resources of the United States; they are entirely under the control of great private corporations and trusts. The same thing happened in England last year and the year before, where they have periodic strikes among the coal miners, so much so that millions of people depending on them for their coal are unable to get it. Lord Milner said with respect to nationalization of the coal industry in Great Britain:

> If, as is not unreasonable, so drastic a measure as the nationalization of all the coal mines is regarded as too great a leap in the dark, it seems a pity that the experiment should not be tried in a single coalfield sufficiently large to give it a fair chance of success.
>
> The eternal controversy between the advocates of private and public ownership, whether of the mines or of any other great source of national wealth is never going to be settled by abstract arguments. Why should it be impossible to submit it to the test of fact?

Lord Milner adds his opinion that the conclusion an impartial student would draw from evidence given before the Coal Industry Commission would be that the present methods of producing and distributing coal are "neither economically sound nor socially beneficent. As long as they continue unchanged" said Lord Milner, "the agitation and unrest will also continue."

In view of all this the people in this country are becoming alarmed and are wondering if the day is not far distant when the people of Canada will control the oil reserves of the western provinces of Canada and have control over the coal mines also, nationalizing these basic products and using in their transport the National railways and the merchant marine. I may say to my hon. friend from Cumberland (Mr. Logan), who takes a great deal of interest in this question, as do all the members from the Maritime provinces, that we would like you all to come into Macedonia and help us in Ontario to solve this coal problem. You have magnificent resources down in the Maritime provinces, and you could bring your coal up the St. Lawrence to the cities of Ontario and on up through the Great Lakes, and the people of central Canada would welcome it. If there is one province more than another that admires the people of the Maritime provinces it is Ontario, because we appreciate what we owe in confederation and the war to the great Maritime provinces. I was very glad last year as a member of the

Mines and Minerals committee to observe the activity of the members from the Maritime provinces in helping to solve this problem. With the western members they took a great deal of interest in it. I can assure the maritime members that if they will come up into Ontario and help us solve this problem they will get a right royal welcome.

I believe the ships of the merchant marine could help solve this problem. Those ships are scrapped to-day. One of them was sold not long ago for a sum requiring only a deposit of $25,000 to a private boat owner in Toronto and was put on carrying package freight between the Maritime provinces, Toronto and the head of the lakes, and in a short time it cleaned up a fabulous sum of money. During the winter months the owner took a cargo of manufactured goods from the big warehouses on Wellington street, Toronto, and had his boat go down the St. Lawrence and through the Panama canal, and it cleaned up from $45,000 to $50,000 on one trip, and on the return trip made as much again. I tried to pursuade our Harbour Commission in Toronto to utilize five or six of these ships to bring freight from the Maritime provinces and also coal up to Ontario. If they had done it, they would have made from two to three hundred per cent on the money invested, just as one private owner did. What was done by private ownership should have been done long ago by the National railways and the merchant marine, but instead, those ships are being sold and others of them are tied up doing nothing. They could have been used to bring maritime coal up to Toronto and the head of the lakes. I know that some of them cannot navigate the lakes on account of their draft. They would need their boilers and engines reconstructed perhaps for that particular class of freight, but that could be done. A great many of these ships were built at Port Arthur and Collingwood and could be so reconstructed that they could solve the coal problem between the Maritime provinces and the central provinces of Canada. Private individuals can show the way when it comes to using the ships of the merchant marine for solving this problem.

I was sorry not to hear the Minister of Railways deny a statement that was made in a debate in this House the other day that the Canadian Merchant Marine has entered into the Atlantic combine for keeping up the rates and that they sat in to fix rates with the railways. I thought the object of the merchant marine was not only to act as a feeder for the National railways, but to break up shipping combines; but instead of that they just sit in with the railways and keep up the rates. I am surprised that the merchant marine has not been used long ago to bring maritime coal up to the central provinces. The Canadian National Railways are spending millions of dollars for their own purposes. If a boat load of coal comes to Toronto from Wales the first man who is down at the dock is an agent of the Canadian National Railways, and he offers a high price for that coal instead of leaving it for the householders of Ontario. If the National Railways want coal for their railway and they use millions of dollars' worth, let them take the boats of the merchant marine which are tied up at the docks and utilize them in bringing that coal from Wales.

Ontario has no coal, and as a result we are dependent on outside sources, and on foreign nations. We are as a result at the mercy of striking miners and profiteering operators over whom we have no control. Coal shortages are sometimes due to strikes in the United States and to transportation difficulties. You will see very shortly an embargo put on coal by the United States government, either before the coming elections next fall or a little after, and Canada will be left to shift for itself. Experts say that the United States will run out of coal in thirty-five or forty years in view of the increased rate of consumption; in a few years the supply of anthracite coal will be exhausted, and we shall have to look elsewhere. Canada is spending $100,000,000 in the United States every year for coal. If that money was spent in Canada it would help our trade balance and help our transportation system. Alberta is strong on developing its own resources, just as the Maritime provinces are. We have the merchant marine and twenty thousand miles of National railways, and yet they have not solved the problem.

Summing up, Canada has one-sixth of the coal of the world. We can solve this coal problem. We have solved greater problems. Canada solved greater problems during the war. Why cannot Canadians solve our fuel problem? In conclusion, I wish to refer to the transportation feature of this question, because ninety-five per cent of the coal question is a question of transportation. Two committees of this House met last year, heard evidence and presented a report. That report has not been carried out in any particular. The Railway Commission have practically abdicated their functions under the Railway Act. They have allowed the railways to fix their own coal charges; they have never fixed a rate for Alberta coal or coal from the Maritime provinces. For that

reason I wrote the following letter to the Hon. Mr. Carvell, Chairman of the Railway Commission, on October 11, 1923:

I wish to call the attention of your board to the excessive rates quoted for carrying coal from Alberta to Ontario and Central Canada by the Canadian National Railway and the discrimination in various rates quoted by this railway from time to time.

As coal is a necessity equal to food cannot your board under the Railway Act protect the public by going into this case and laying down a rate? Two select committees of the House went into this question last session and I am surprised that the Railway Commission have not long ago come to the help of the people of Central Canada by protecting them from such a camouflage rate of $9.00 per ton in train lots granted by the head of the National railways.

As I intend to raise this question again at the next session of parliament I write to find out if your board will enforce of their own volition the Railway Act against these excessive tolls.

Two or three months passed without a reply and the people of Canada were wondering whether there was any railway commission in Canada because there did not seem to be any likelihood that any adequate steps would be taken to protect them. They have been asking themselves the same question for two or three years past—whether there is really a railway commission in this country. If there is a railway commission why are not the railway companies summoned before it and compelled to cut their rates down to figures that would be in consonance with the actual costs and conditions. One would expect that the head of the National Railways of Canada would come to the assistance of the people in a matter like this which is of such urgent importance. But no, instead of coming to the people's relief Sir Henry Thornton fixes a rate and says "Here is the rate which has been laid down, it is the best I can do for you".

The reply of the Chairman of the Board of Railway Commissioners to the letter which I addressed to him did not come until late in October. The chief commissioner then wrote as follows:

Board of
Railway Commissioners
for Canada

Ottawa, October 26, 1923.

Dear Mr. CHURCH,—

On arriving here yesterday I found yours of the 11th, instant, which was acknowledged by my secretary. In reply I can only say that the rates on coal have been filed by the railway companies in the ordinary course of events and are presumed to be just and reasonable.

It is always open to any person to attack these or any other rates, however, according to the terms of the Railway Act; and if you wish to make an application to the board with the object of having a thorough investigation into the whole question of coal rates in Canada, the board will be only too glad to offer you every opportunity and assistance, and will provide for public hearings at as early a date as possible, at which all parties can be represented and an intelligent decision reached.

Sincerely yours,

F. B. CARVELL,
Chief Commissioner.

Unfortunately I had not time to go into this question myself, so I made representations to the government of Ontario and the city of Toronto. As to the former I got very little satisfaction until the Ferguson government came into office, when an application was made to the Railway Commission to fix more equitable rates. Their grounds for doing so were:

The provincial government alleges that the rates filed by the railway companies with the board as tariff rates for transportation of such coal are excessive, and prevent the marketing of such coal in Ontario, and that Alberta and Nova Scotia coal is essential to and should be made available at reasonable and competitive prices for domestic and manufacturing purposes in Ontario, and such use would result in the profitable extension of the coal mining industry in Alberta and Nova Scotia.

The province also claims that rates covering transportation costs at a reasonable profit can be fixed at an amount which would enable and encourage the use of Alberta and Nova Scotia coal in Ontario, based on a rate for hauling during the year and for seasonal hauling from about March 1 to September 1, from Alberta and Nova Scotia to Ontario, and rates yearly and seasonal from Alberta to Fort William.

The province ask that the railway companies be directed to answer such interrogatories, giving information, as may be submitted by the applicants.

Now, the coal problem is not a problem for the private individual or for the provinces, it is one that the Dominion government should attack. The coal operators of the United States have adopted a policy of selling coal—and much of it of an inferior quality—to Canada at the highest prices. The province of Ontario is one of the greatest markets for coal on the continent to-day and it is time the federal government acted in this matter. No government, more particularly one owning such an enormous railway mileage and a merchant marine as well, should leave this question to be pressed by the provincial authorities or even by individuals. Look at what President Coolidge in the United States did when he first assumed office. He called the officials of the railway companies and the mine owners before him at the White House in Washington, and declared that unless they reduced their rates he would submit a measure to congress to control the situation. That is the kind of leader we want in this country. That is the kind of stand we want the government of this country to take. We want a government that will say to the people "We are going to adopt a national coal supply policy and we are going to carry it out. It shall no longer be the concern of the individual to

look out for their supply of coal." Sir Henry Thornton has gone up and down this country quoting one railway tariff rate here, and another tariff rate there. I should like to know if Sir Henry Thornton is the court of last resort on this question, bearing in mind that we have a Railway Commission in this country that is empowered under the Railway Act to bring into force rates that are just and reasonable in the interests of the people. It is the duty of that commission to see that there is no unfair, unjust or undue discrimination between different localities on the part of the railways, but that the law shall be enforced so as to accord equality of treatment to all. That is not being done to-day. Sir Henry Thornton declares in an interview that the railway rates are not going to be reduced. How does he know that when there has been no proper determination or hearing of the case before the Railway Commission, and no adequate inquiry into railway charges and railway operations? The people of Canada are becoming very much alarmed when they see how railway rates are advancing and they are asking themselves whether we have any railway commission in this country at all, or is Sir Henry the commission of one?

Last year, in the month of July the Railway Association of Canada—which includes the Canadian Pacific Railway company and the Canadian National Railways—in one of their weekly pamphlets gave this intimation to the public:

> Central Canada is, if course, completely dependent on the American coal fields for coal.

That is what a pamphlet sent out by the Railway Association of Canada said, with respect to our source of coal supply. They say virtually "You will have to continue getting your coal supply from the United States, and what do you propose to do about it?" That is practically what Sir Henry Thornton says. Let me quote further:

> But worse than that, she is completely dependent on heavily burdened foreign railways to get that coal into cars and to get those cars away when loaded.
>
> It is not just a matter of Canadians having money to pay for the coal.
>
> The miners may strike again. Production may fall again! American home demand may increase again! There may be no coal!
>
> And, even if the coal is ready to be shipped, cars to ship it in may be short next fall and winter.
>
> If cars are available they will have to wait for the opportunity to be loaded.
>
> Loaded, they may have to wait for engines to draw them away.
>
> On the road they will face heavy traffic movement, snow storms, snow-plugged terminals and all the difficulties of fall and winter railway operation.
>
> All of these factors menace Canada's fuel supply for next winter; possible mining strikes or lock-outs! Lowered production! Increased American domestic demand! Car shortage in the United States! Rail congestion! Power shortage! Snow-storms!

I ask the question now: What is this parliament going to do about this question? The discussion of this subject last session led to a nationwide consideration of the problem The debate in the House, the proceedings before the Mines and Minerals committee, and the discussion in the Senate led to the question of the coal supply being considered everywhere from coast to coast. What we want is a national coal policy that will keep in Canada $100,000,000 we are now sending out, that will provide employment for the miners of the Maritime provinces and Alberta, that will keep Canadian work for Canadian workmen, that will retain our own markets for our own fuel. I believe that is the only policy for us to adopt. I do not say that such a policy can be worked out in a day or two. We may even have to continue to pay $15 or $16 a ton for our coal for a year or two longer. But if the government seriously considers this question and applies itself to the solution of the problem a definite and clearcut Canadian national policy can be reached. If we put an embargo on the export of pulpwood and power and make the American users of newsprint and power pay for it, we shall obtain enough revenue from these sources to take care of any increase in the cost of coal and solve the problem of its transportation. In formulating such a policy we are only following in the national policy path that was traced out by Sir John Macdonald and Sir J. P. Whitney. If we do as I suggest we shall devise a policy which will be truly national and which will help to safeguard Canadian industry and Canadian homes and make us a happier people—a policy of Canada for the Canadians our own home coal markets for our own coal and our own work for our own workmen.

Mr. HANCE J. LOGAN (Cumberland): I agree with the hon. member for North Toronto that this is probably one of the most important matters that could come before the House. In view of its importance—involving as it does the economic independence of Canada and perhaps even more than that—I regret that so few members are present and, incidentally, that several members of the government are absent. In my humble opinion this matter is of supreme importance and it has many ramifications. My hon. friend has gone into many of the questions involved, and has shown the urgent need of something being done. I think it was last year, when the Americans threatened to put an embargo

on American coal coming into Canada, the people of Canada had an attack of "nerves;" but the incident only brought home to us our lack of wisdom in failing to make due provision for the wants of the people and of a great many industries of this country.

What are the conditions? In the Maritime provinces, it is estimated by those who are competent to know, that we have over 9,000,000,000 tons of bituminous coal. In the western country the amount in tons of coal is not measured in millions or billions, but in trillions. And yet we brought into this country last year, to keep the people warm and to provide power for manufacturers more than 20,000,000 tons mined in the United States, produced by United States miners, hauled by United States railroads and United States vessels.

Now, having stated the amount of coal we have imported, it might be well to suggest some ideas as to what can be done. There is no use talking about things unless we do something. Well, Mr. Speaker, one matter has been solved during the last year, and that is the production of coke from the bituminous coal of Canada, particularly the bituminous coals of the Maritime provinces. It has been demonstrated by the federal Mines department that coke of an equal heat-producing quality as anthracite can be produced from our bituminous coal. It has been further demonstrated that it takes one and a half tons of our bituminous coal to produce a ton of coke. Therefore, the first proposition, to my mind for this government to get busy over is the question as to what we shall do to increase the production of coke. Does it ever occur to you that if we could eliminate the importation of 5,000,000 tons of anthracite into this country—and that is the amount which came in last year—it would mean the use in coke production of 7,500,000 tons of bituminous coal in the production of that coke? Even that alone would mean an increase in the production of coal in Canada of nearly 50 per cent. It would mean the employment of thousands of miners, and the paying out of a very large amount of money for the increased production.

There are many problems involved in the production of coke. It is an expensive operation. I am informed on good authority that to put up a proper coke plant in the city of Montreal—and by the way it is almost a necessity to build coking plants in large centres in order to dispose of the by-products such as gas, and so forth—to take care of the coke requirements of Ontario and Quebec would cost about $5,000,000. Well that is a large amount of money, but we lost last year, Mr. Speaker, in exchange alone according to figures which I will read later on in buying American coal, the sum of $2,771,262, according to the rate of exchange which has predominated in this country for the last three months. If we even took the money we are throwing away and used it to build coking plants in the country, we would have gone a long way in solving the problem. Suggestions are made that we should guarantee the bonds of a company, or companies who undertake the work, if we do not desire to make it a government operation. It is also suggested there should be a bonus paid upon the production of coke per ton. These are matters which are well worthy our consideration and the consideration of the government.

Then what is the second great problem in reference to the coal question? It is transportation. We cannot transport coal from Cape Breton to Montreal at $4.80 a ton, or from Alberta to Toronto at $12 a ton and compete with American coal in Ontario and Quebec. That is a self-evident fact. I do not agree that the customs price of coal coming into this country last year is the proper value; but the value they put on coal bituminous and run of mine coal, coming into the country from the United States last year, was $3.30 per ton.

Mr. BROWN: The hon. gentleman says that we cannot transport coal from Cape Breton at $4.80 per ton. Does that mean by water?

Mr. LOGAN: That is by rail. We cannot transport it to Montreal and compete with American coal successfully, at that rate. As I said our friends cannot transport it from Alberta at $12 a ton. But coal was transported from Nova Scotia to Montreal six years ago for $1.60 per ton.

Mr. BROWN: By rail also?

Mr. LOGAN: Yes. The rate six or seven years ago was $1.60 from Springhill, Nova Scotia to Montreal.

Mr. HOCKEN: What is it now?

Mr. LOGAN: It is about $3.60. This matter was taken up by the Mines committee last session. As my hon. friend from Cape Breton South (Mr. Carroll) knows, we called a great many persons as witnesses. We called the officials of the railroads, we called the freight officials of the Canadian National Railways and we called the Canadian Pacific officials. But we did not get very far. We made a report, I think a very good report, which was brought down to this

House about the last day or two of the session. That report has not been acted upon. What was disclosed in that committee? It was disclosed in the first place that officials of the Canadian National Railways had consulted with officials of the Canadian Pacific Railway before they came near the committee. But some independent witnesses came before that committee. One was Mr. M. J. Butler, formerly Deputy Minister of Railways and Canals, a man who has occupied some of the biggest positions in Canada, at one time being general manager of the Dominion Coal Company at Sydney and afterwards general manager of the Armstrong-Whitworth Company, a man now living in retirement in Ontario. He made certain statements which, I think, should be considered seriously by the government. He said, to begin with: "We must eliminate the 'know it cannot be done' type. Let us also eliminate the traffic officers who are making rates predicated upon using small cars, or weak locomotives with small trainloads, or mixed train loads with a few cars of coal to fill up the tonnage."

It is, I think, clear that the problem is one that demands that equipment from beginning to end shall be adequate to handle the traffic at the lowest possible cost. The problem, as was demonstrated last year, is one of equipment. We cannot carry coal from the Alberta mines down to Toronto, or coal from Nova Scotia to central Canada, in old, broken-down cars, with small engines, and mixed trains of that character. The only way in which we can deal with the problem, which is a national problem, is to provide equipment by which coal can be brought from Alberta and from Nova Scotia and New Brunswick to the central provinces in trains built for the purpose of carrying coal. In other words, let us adopt as regards coal the same kind of transportation we have for wheat. Wheat could never be economically transported to the seaboard if you had one car filled with wheat, another filled with iron and another filled with groceries. Wheat is brought east from western Canada in solid trains.

This matter is so important that it behooves the government to get busy in regard to securing proper equipment to carry coal from the West and from the Maritime provinces to central Canada. I am not going to weary the House by going through the evidence taken before the Mines committee except to say that Mr. Butler concluded by quoting from rates paid on roads on which there is proper equipment. For instance, he cited the Virginia railway, and he was able to set before the committee that, instead of its costing $12 a ton to carry coal from Edmonton to Toronto, the actual cost, if we had the proper equipment, would not exceed $4.57. Those figures have not yet been proven to be untrue. What is to be done about this? In addressing this House a few weeks ago in the debate on the Address in reply to the Speech from the Throne, I threw out the suggestion that the government should appoint a commission; that Mr. Butler be made chairman of it; that there be on that commission one man from the East and one from the West—Mr. Butler is from central Canada—that they be allowed to visit the Virginia railway, the Chesapeake and Ohio, the Illinois Central and other railway companies that have proper equipment for carrying coal, and that carry it at such a low rate, and that they come back and show us, not what the freight tariff should be, but the actual cost of carrying coal in a properly equipped train. I again urge that that policy be adopted by the government. I am not attacking any railway officials, but naturally they want to defend the old rate paid on the Canadian Pacific and the Canadian National. What I want to know, what I think this House wants to know and what, I believe, this country demands to know, is the actual cost of carrying coal in Canada provided we have proper equipment for carrying it. So much for the transportation question.

Let me now hurry on to consider one or two other matters which, I think, are of some interest in reference to this coal question.

Mr. McBRIDE: What did Mr. Butler say this equipment would cost, and what would be the expense of increasing the strength of bridges in order to carry that equipment?

Mr. LOGAN: I have no statement by Mr. Butler in reference to cost of equipment. In fact, he distinctly said, in the evidence which he gave before us last year, that he did not give an estimate of the cost. There is no doubt the cost would be heavy, but the object to be attained is stupendous. We cannot go on fooling with this question. We might as well try to put out a conflagration with a garden hose as endeavour to deal with this matter with the present equipment and under the present system.

I have referred briefly to coke and to transportation. Before closing—and this will be the last part of my remarks,—I propose to deal with my good friends who often twit us in eastern Canada, particularly in Nova Scotia, with the statement that we have a wonderful protective tariff on coal. Since

speaking in this House a few weeks ago, I have devoted some attention to preparing a statement in order to get the actual facts This is a statement of imports of coal entered for consumption in Canada and customs duties collected thereon during the calendar year, 1923, and I think, before I have finished, you will see that there is not a protective tariff on coal. The Fielding tariff amounted to 53 cents a ton on bituminous coal, but coal at that time was worth only $2.20 a ton, and this specific duty has remained the same ever since in spite of the increased cost of production. This statement will show we are a long way from having the tariff on coal that we had even ten or fifteen years ago. It will be observed the ad valorem rate which is given is computed on the value placed on the product by the Customs department and not the value at which it sells in Canada. The statement is as follows:

STATEMENT of Imports of Coal entered for consumption in Canada and Customs Duty collected thereon during the Calendar Year 1923

Item	Country	Tons	Customs Value	Customs Value per ton	Duty	Amount of duty collected	Rate ad val.
			$	$		$ ct.	p.c.
Coal, anthracite, grate, egg, stove, nut and pea.	United Kingdom.	240,319	2,504,243	$10 42	Free		
	United States.....	4,514,355	42,693,159	9 46	"		
	Total.....	4,754,674	45,197,402	9 50			
Coal, anthracite, n.o.p., buckwheat, rice and barley.	United Kingdom.	21,356	163,739	7 67	Free		
	United States.....	389,352	1,096,821	2 82	"		
	Total.....	410,708	1,260,560	3 07			
Total imports anthracite.....		5,165,382	46,457,962	9 19			
Coal, bituminous, slack, such as will pass through a ¾ inch screen.	United Kingdom.	221,119	876,328	3 97	10c. per ton	22,111 90	2·6
	United States.....	3,667,511	9,510,860	2 59	14c. "	513,451 54	5·4
	Total.....	3,888,630	10,387,188	2 93	.....	535,563 44	5·2
Coal, bituminous, round, and run of the mine and coal, n.o.p.	United Kingdom.	89,776	436,493	4 86	35c. "	31,422 14	7·2
	Alaska.....	4	85	.....	53c. per ton.	2 12	
	Philippines.....	140	750	.....	53c. "	74 20	
	United States.....	11,843,690	39,074,583	3 30	53c. "	6,277,155 70	16·06
	Total.....	11,933,610	39,511,911	3 31	.....	6,308,654 16	16
Total Imports Bituminous.....		15,822,240	49,899,099	3 15	.....	6,844,217 60	13·72
Total tonnage all coal imported.....		20,987,622	96,357,061	4 59	.....	6,844,217 60	7·1

Customs value on coal imported from United States.....$ 92,375,423
Loss by exchange depreciation at present average rate..... 2,771,262

Mr. CARROLL Are the figures which the hon. member has submitted carried up to the last of December, 1923?

Mr. LOGAN: Yes. Now, Mr. Speaker, in addition to losing almost $3,000,000 in exchange, the whole balance of trade was upset. It is a question whether, if we had not imported $92,000,000 worth of American coal, our money would not have been at par during the whole year. If we had had par money, apart from the coal altogether, if we take other importations from the United States, we find that we could have saved in exchange during the last year some $15,000,000 which was virtually thrown away; and that, added to what we have lost by way of exchange in connection with our coal imports, represents a total loss to this country in this respect of $18,000,000 in one year. When any man says this is not an important matter, I say it is the most important that could come before parliament during this session, because it involves not only the problem of our coal supply but the whole question of the country's trade.

Let me refer to the history of this coal tariff. Away back in 1880 there was a duty of 50 cents a ton on all coal, anthracite and bituminous. In 1887, for some reason which I have never been able to learn, the duty was taken off what is sometimes called the rich man's coal, but what at any rate is the coal of the well-to-do, while the duty was left on bituminous coal. So that since 1887 there has not been one single dollar paid in duty on anthracite coal coming into Canada. As I have shown, we imported into this country

last year $46,000,000 worth of anthracite. A poor man buys a suit of clothes and if it is imported from the United States he has to pay 35 per cent duty upon it, but the wealthier people of the country can buy American coal and bring it into Canada without paying any duty whatever. We need a vast amount of money to carry on the affairs of the country. We all know we are taxed to about the limit; we all know how irksome are the sales tax and the income tax. Can you tell me, Mr. Speaker, any reason under the light of heaven why we should not impose a duty upon anthracite coal to secure revenue if for no other reason.

Let me trace the history of the duty on bituminous coal. A specific duty of 53 cents per ton was placed on bituminous large coal and of 14 cents a ton on bituminous small or slack coal imported from the United States, importations from Great Britain being entitled to a preference of 33⅓ per cent. When the duty of 14 cents was placed on slack coal, this coal was considered to be of very little value. At that time you could buy millions of tons of slack coal in the United States at about 60 cents a ton. But owing to improved methods of using it and a greater demand, I find that slack coal from the United States is now given a customs value of $2.59 per ton, or only 71 cents less than the customs value of round coal. And yet this slack coal is paying a duty of 14 cents a ton, or less than 5½ per cent ad valorem while round coal is paying a duty of 53 cents per ton or about 16 per cent ad valorem.

By the way, Mr. Speaker, I think our tariff not only in reference to coal but in reference to a mighty lot of other commodities needs scientific revision, because of the many incongruous and ridiculous features now prevailing in it. At the United States mines facilities are provided for taking out the slack, and about 50 per cent of the bituminous coal imported comes in as slack coal and pays only 14 cents a ton. But it is a well-known fact that the slack is mixed with the other coal after arriving in Canada and sold as run-of-mine coal, the Customs department being defrauded of the difference in duty. Yet nothing is done to stop this fraud. The practice has been going on for years. I submit, at the present time, there is no reason why slack coal should not pay the same amount as bituminous large coal. When the duty of 53 cents was put upon bituminous coal by Mr. Fielding, it meant at the then price a tariff of about 25 per cent ad valorem. I am not asking to-day for a return to such an ad valorem duty, but I do advocate that we should place bituminous coal of all kinds and descriptions on the same basis, which would put a stop to the fraud now practised. When we have the prices so near together, we might very well impose a duty of at least 20 per cent ad valorem, and even then we would be below the tariff established by Mr. Fielding over twenty years ago.

Mr. ROBB: What would that be per ton on to-day's value?

Mr. LOGAN: Sixty-six cents a ton.

Mr. WHITE: May I ask the hon. gentleman if he is in favour of a 20 per cent duty on agricultural implements?

Mr. LOGAN: I am discussing the subject of an independent coal policy in order that we may not have to rely upon outside sources for our industrial and domestic fuel, so there is no use trying to drag a herring across the trail about what we are going to do to assist another great natural industry, namely, agriculture. A 20 per cent ad valorem duty would mean, according to the customs value of our coal imports last year, 66 cents a ton if it were specific, or an increase of 13 cents a ton. This would mean an annual tax of only
5 p.m. $1.95 a year on imported coal to a man using fifteen tons for his domestic requirements. If he should use Canadian coal even if the price were advanced 13 cents a ton, he would keep in Canada $49.50 a year most of which would be wages.

If a 20 per cent duty were put on American anthracite, with a preference of 33⅓ per cent in favour of Welsh anthracite, it would mean an increased revenue, based on last year's importations, of over $9,000,000, or a total increase, at 20 per cent on all coal anthracite and bituminous, of $12,286,272. But some one may say, "Oh, well 20 per cent is too high a tariff on anthracite coal." It would mean an increase in the price to-day, according to the customs value, of $1.85 a ton.

Mr. GARLAND (Bow River): Might I be permitted to ask this question: Supposing you establish this tariff duty, it would be for the purpose of excluding American coal, I take it; if so, where would the revenue come from?

Mr. LOGAN: It would not be an entirely excluding tariff, I am trying to demonstrate that if we continue importing coal we will secure a vast amount of revenue by this readjustment and we will put a stop to fraud. Of course, everybody knows that incidentally under a tariff for revenue there is a certain amount of protection to the industry itself; there is no doubt about that. But if it is

considered that a duty of 20 per cent on anthracite coal is too high, let me suggest to the Minister of Finance and to the government that they could at least put a duty of 50 cents a ton on this fuel of the well-to-do. This would mean on last year's importations found revenue of $2,500,000. What would it mean to the consumer? If he uses fifteen tons in the year it would mean an extra cost to him of $7.50.

These are some of the suggestions I desire to make in regard to the tariff. It was unfortunate, I submit, that when Mr. Fielding imposed the duty he did not make it ad valorem. It was placed at a specific rate per ton. As I said before, it was equivalent to about 25 per cent ad valorem at that time. Surely now when we need revenue ten times more than we needed it then, we can put a duty of 20 per cent on bituminous coal and a duty of at least 50 cents a ton on anthracite coal. By so doing we would assist in stabilizing our coal industry, assist in raising revenue, and in establishing that national coal policy which is so dear to the hearts of many of us. We have in Nova Scotia vast coal measures, but last year when we were bringing nearly $100,000,000 worth of coal from the United States to Canada five or six of our collieries down there were absolutely idle. Why? Simply because there was no market for their coal.

I only wish to repeat in closing what I said in opening. This is a matter of stupendous importance to the Dominion and deserves the attention of a full House. At the same time it deserves the most serious attention of the government, because there is a feeling throughout the country that we should be independent of the United States in respect to our fuel supply. We are dependent upon them at the present time; there is no doubt about it. Let us get down to business and see if we cannot work out a policy which will ensure our coal supply independence, and at the same time bring a tremendous amount of prosperity to Canada and add very little, if anything, to the cost of consumers. Because, I submit, if we can increase our production of coal, if we could make it possible for a mine to produce two thousand tons a day where it is now producing only six or seven hundred tons, we could in a very short time bring about a reduction in the price of our coal. One of the reasons for the present high price is the lack of a market for the production of our mines, with the resultant heavy overhead, which, of course, is reflected in the price of the commodity.

[Mr. Logan.]

Mr. A. W. NEILL (Comox-Alberni): I heard the hon. member for Cumberland (Mr. Logan) say some time ago that he did not want to hear anything more about protection on coal, but he seems to have a warm heart for it after all.

I hope this motion will not pass in its present form, or that if it does pass a very different interpretation will be put on the term "national policy" than that which the hon. member for North Toronto (Mr. Church) has given it. Like other "national policies" of which we have heard, it is conceived only in the interests of one section of Canada, and that is the East. It is the old story again: East is East and the West is forgotten. It is a peculiar commentary upon the widespread differences there are in Canada and how difficult it is to evolve a policy which shall be just to them all, when we find the hon. member for Cumberland saying that the mines in his district are being shut down for lack of more protection on coal, and I can say the same thing of the mines in my part of the country, but due to the fact that we have protection on coal. I have in my hand a cutting from a local newspaper. It is a year old, but the point is the same:

> Comox mine No. 5 ceased operations on Saturday. This mine gave employment to over three hundred men and produced over one thousand tons of coal per day. We understand the reason given for the closing down of this mine is the depression in the coal trade caused by the tremendous importation of foreign fuel oil.

And also, I might add, because our market in the United States is reduced by the fact that there is a duty on bituminous coal going into the United States.

I might explain, as perhaps a good many members of this House do not appreciate it, that there are three classes of coal, bituminous, lignite and anthracite, and we have in the United States tariff the only real suggestion of reciprocity there is in existence between the two countries, and that is, not a promise, not a suggestion, but an absolute feature of the law, that when Canada puts a tax, not on coal but on any one of these particular classes of coal, the United States retaliates by a similar tax on that class of coal going into the United States. If Canada takes off or reduces that duty, automatically, without legislation, a corresponding reduction is made in the United States duty. There is no duty on anthracite coal coming into Canada. There is no duty on lignite coming into Canada, the duty being taken off last year in order to help the people of Alberta to ship their coal into the United States under this

reciprocity arrangement; but there is a duty, as my hon. friend from Cumberland has said, of 53 cents a ton on bituminous coal coming into Canada to help the coal mines of the Maritime provinces. The result is that when we ship our bituminous coal, and we mine a lot of coal on Vancouver Island, to the only large market we have, that is the United States, we are confronted with this reciprocity duty of 53 cents a ton. So if we could get free trade in coal, the mines in British Columbia would be much assisted, the very opposite condition to that presented by my hon. friend from Cumberland.

We are also in the peculiar position that we would be happy and satisfied if this government or parliament would give us either free trade or protection—we do not care which it is. If we had protection against fuel oil, then we would not mind the 53 cents a ton duty on coal. But if they will not give us that then we are out for free trade and taking off the 53 cents a ton on bituminous coal entering Canada, because that will give us a good market for our coal in the United States. If this were done, we would not have the condition I have depicted of our mines being idle for three or four days a week.

I would like while on this subject to remind the government, because it is reminding them, they have often been told it before, of the conditions in connection with our Canadian government ships on the Pacific ocean. Comox coal, which is situated in the district I represent, is absolutely the best coal for steaming purposes that can be got on the Pacific ocean. This is no member's eulogy of his own riding at all. I have under my hand here the results of a drastic and long-continued test made by the United States government, which is not likely to be sympathetic to alien coal, and the result is this: They find that the Comox coal of which I am talking is thirty-six per cent better for steaming purposes than any other coal on the Pacific ocean. Now that is the decision arrived at by the United States navy under very careful conditions. They had no axe to grind in favour of one mine over another, and after a drastic test they say that Comox coal for steaming purposes is thirty-six per cent better than any other steam coal on the Pacific ocean. I know that when the British fleet was stationed at Esquimalt, they used to keep quite a large fleet there, they invariably used Comox steaming coal because they recognized its superiority in that regard. Yet what do we find? We find our own Canadian government boats passing up that mine on some trivial pretext of one kind or another. It is too far away, they say. It means two hours extra steaming for a boat that is going to Australia. Two hours would not make much difference on a trip to Australia, surely, when the coal is thirty-six per cent superior for steaming purposes. These are some of the, I was going to say childish, absurd reasons given. Another one is that it is too dear. It is not too dear for the Canadian Pacific Railway, it is not too dear for the Dollar Company, both very large shipping concerns who are supposed to be very good business men; but it is too dear apparently for our government ships to buy our own coal, mined by Canadians, by Canadian machinery. It is a reproach, I think I might use almost a harsher word, but I will let it go at that, to our government that they do not patronize this coal.

I therefore hope, Mr. Speaker, that if this resolution goes through in its present form, the government in its interpretation of it will take a somewhat broader and bigger view of the term "national policy" than was evidently intended by the hon. member who introduced this motion.

Hon. CHARLES STEWART (Argenteuil, Minister of Mines): Mr. Speaker, I do not desire to enter into a controversy as to whether or not a duty should be placed upon coal, because that is somewhat out of my province, but if the mover of the resolution (Mr. Church) is correct in his premises and coal is a food then, as a member of this government, I am afraid I would have to be opposed to an increased duty. I think in fairness to the House something ought to be said of the investigations carried on by the Mines branch with reference to this very important question.

Let me say at the outset that I for one would be delighted to see Canada independent of any other country so far as fuel is concerned, I think in all probability the time will come when we shall be independent of other countries for our fuel supply. It is unnecessary to point to the fact that in British Columbia they have an ample supply of coal for their own needs. Alberta has to-day opened up mines sufficient to supply the needs of Canada without opening up a single other mine in that province, and if all the mines in Alberta were working full time they alone could supply all the coal necessities of Canada. Nova Scotia too, is quite capable of supplying all Canada's fuel needs, or at all events from the central part of Ontario eastward. So the question of an adequate supply is settled in so far as this resource being within our own borders is concerned.

As former speakers have well said, the fuel problem is a question of transportation because the apathy and even antipathy of the people of Ontario and of the western central part of Canada to the lignite coals of Alberta has been overcome. Investigation and trial of the Alberta fuel has proved beyond question that it is a fuel that compares favourably with anthracite. The people like it, and are willing to use it, and there is no question about the ability of Alberta to supply it. So the problem resolves itself into a question of transportation, and transportation alone.

My hon. friends from Nova Scotia have pointed out that with proper equipment the transportation costs can be greatly reduced, and I am inclined to agree with them. Many of you will remember that shipments were made at $7 a ton, and the coal came forward in a good state and people were well satisfied with it. I think I am safe in saying that the experiment was a decided success. With respect to the duty the hon. member for Comox-Alberni (Mr. Neill) has just pointed out that it worked adversely so far as that province was concerned, and we had brought to our attention a few days ago a case in which American coal entering British Columbia was coming in under the name of "sub-bituminous". Owing to the definition the coal was coming in free, but a better understanding was arrived at.

Mr. NEILL: I should like to correct the minister. The coal referred to was coming in as lignite, and therefore coming in free. It should have come in as sub-bituminous when it would have been liable to a duty.

Mr. STEWART (Argenteuil): At all events the point is that the quality of the coal was not properly set out, and therefore the importation came in free. But we must pay some attention to the fact that we have a reciprocal arrangement with respect to the United States in regard to the import and export of coal. By adding the word "lignite" to the various grades and names of coal, we have been able to export a very considerable amount from the mines of southern Alberta into the adjacent states south of the boundary line. I am in hopes that that importation will increase because the territory importing is very close to the source of supply.

With respect to the fuel situation in Canada it may be resolved into a problem of this character: There is no acute fuel area from Winnipeg westward. There is no acute fuel area from Ottawa eastward. There is no doubt at the present moment that Alberta can compete successfully with any competitor as far as Winnipeg. There is no doubt that Nova Scotia can compete successfully with any competitor as far westward as Montreal, and I think even as far as this city. There is no problem in so far as the Alberta fuel is concerned; the antipathy to the Alberta fuel is removed. Neither is there any antipathy with respect to the Nova Scotia fuel. With respect to the American fuel we began an investigation this year in the Mines department, and under the Fuel Board, applicable to what we designate as "the acute fuel area of Canada", and what do we find? We find that about four and a half million tons of anthracite coal are coming into this portion of Canada. We know also that in all probability that supply will, within ten or fifteen years, be cut off and hence a good deal of agitation has arisen. But, Mr. Speaker, there is a tremendous supply of bituminous coal in the United States—indeed it is one of the problems we have to face—lying right along the boundaries of Canada within three or four hundred miles of the central portion of Ontario. There are tremendous coal fields there and for the next two hundred years they may be the source of supply of a great part of the United States and of this portion of Canada. I should like to see that shut out, but we will have to remember, in a discussion of this matter, that the part of the United States referred to will always be a lively competitor in the Canadian market. But in order to protect the domestic user in this area against the day when he will be denied anthracite we have carried on an investigation in the coking of bituminous coal, and while it has been conducted in the laboratories of the government here with successful results, we have had an opportunity of trying it in a commercial way in the new plant recently constructed at Hamilton. To that new plant we brought from Nova Scotia several carloads of their coking coal and put them through an experiment. We found that by a slight mixture the Nova Scotia product is equal to, even if it does not actually excel, the anthracite product of the United States, and that there is no difficulty with respect to the coking of that coal.

Mr. HUGHES: Was that slack coal?

Mr. STEWART (Argenteuil): No that was run of mine coal from Nova Scotia, from the Springhill mines I think; I have forgotten the exact locality. However, the experiment was eminently successful. In the case of the American product, the Hamilton plant can place on the market a product, one ton of which is equal to a ton of anthracite, and which has a lower ash content, at $10 a ton, plus distribution costs. I am

not going into the reason why coking plants should be established in the cities of Canada; the hon. member for Cumberland (Mr. Logan) has dealt with that aspect of the question. Suffice it to say it will be necessary that these plants be established in centres where there is a large population in order that the by-products may be used successfully and give an adequate return because when that is the case, it is possible to have a cheapening of the product. As I say, it is possible to have bituminous coal paying a duty of 53 cents a ton manufactured into fuel at $10 a ton which has an equal value to anthracite coal for which $16.50 is being paid to-day in the acute area of Ontario. Add $3 to this price if you like and you still have an advantage of $3.50 over the price of the anthracite.

Now, a word as to the chances for Nova Scotia coal. I was told the other day—not by one of our own officers but by an officer of the British Empire Steel and Coal Company—that they can place their coal by the water route in Hamilton at $6 a ton. That is exactly what coal costs the Hamilton plant to-day—$1.75 to $2 a ton at the pit mouth plus transportation, plus the duty, and landed at the plant in Hamilton. I am not arguing that there should not be a duty, I am leaving that to one side. I simply give you the facts as disclosed by our investigation. It would be impossible for coal from Nova Scotia to compete successfully with the American product in Montreal where an all rail rate has to be paid.

Mr. MEIGHEN: Did the minister make the statement that coal could be transported from Nova Scotia to Hamilton at $6 a ton by rail?

Mr. STEWART (Argenteuil): No by the all-water route. I pointed out, Mr. Speaker, that I was not speaking of the rail route. In the case of all-rail transportation it would be difficult for Nova Scotia coal to compete with American coal in the market of Montreal.

Mr. MEIGHEN: At what price is the coal, which the minister states has been transported to Hamilton for $6 a ton, selling for in Nova Scotia?

Mr. STEWART (Argenteuil): I cannot give my right hon. friend the pit mouth figures; I have not got them. I simply say that was a statement made to me by an official of the Empire Steel Corporation—that run of mine fit for coking could be landed on the docks at Hamilton for $6 per ton.

Mr. MEIGHEN: I am told it does not sell for that at wholesale in Nova Scotia.

Mr. STEWART (Argenteuil): I do not know what the price is in Nova Scotia. The difficulty lies in rail transportation not particularly in water carriage. I may say that the statement referred to came about in a discussion as to the advantages that would accrue to the Nova Scotia mines if the projected St. Lawrence improvement took place, and then it was pointed out that coal could be carried at the rate mentioned at the present moment. That is the situation at all events in so far as the coking problem at Hamilton is concerned.

Mr. ROSS (Kingston): What amount of coke would be available in Hamilton?

Mr. STEWART (Argenteuil): Just the other day I had a letter from the plant manager in which he stated that they were not running it full time, but I would have to get the figures—I would not like to give them offhand—as to the amount turned out by the plant daily or monthly. I will get them after dinner.

Mr. GARLAND (Bow River): What type of boat and tonnage would the hon. minister suggest would be used to transport the coal from Nova Scotia to Hamilton? What would be the size and the coal capacity?

Mr. STEWART (Argenteuil): All I can say is that cheap transportation on the Great Lakes is possible by the use of whale-back vessels that carry wheat. A vessel adapted to carry wheat successfully lends itself to the carrying of coal, and one of the advantages perhaps, if there are advantages in the improvement of the St. Lawrence, is that these large whale-backs could go down the Great Lakes, unload at Montreal or Quebec, bring back coal from Sydney and vicinity, deliver it to the ports along lakes Ontario and Erie and handle it at a very cheap rate. Undoubtedly, by having a cargo both ways, it would lessen the rates, because one of the difficulties always met with in regard to grain rates and stock rates was the fact that empties had to be brought back on every occasion. It was the back haul empty that caused the high rate on one-way haulage, and that condition prevails in reference to our coal in the West. We have to face that difficulty. The tonnage is all eastward instead of westward and that cuts into the rate both ways.

In connection with investigating this matter I thought that if the boats laden with grain unloaded at Quebec and Montreal, they might very well slip down to the mouth of the river and bring back the coal, which would lessen transportation costs both ways.

With respect to the tolls on railways, the difficulty is with the westward haul. My hon. friend pointed out that one of the difficulties would be the increased freight rates. Another difficulty is the increased rate at the pit mouth for the product itself. At the moment the American mines are selling coal for $2 a ton; this creates terrific competition, and I fear that it would require a much greater increase in duty than suggested by my hon. friend to keep the coal out of the market.

The other matter I wish to speak about is that of our investigation into the peat bogs.

Mr. LOGAN: Will the hon. gentleman state where they are selling coal for $2 a ton and what the class of coal is?

Mr. STEWART (Argenteuil): Run-of-mine coal at all the central Illinois mines is being sold to-day at $1.75 a ton. That is the lowest rate that has existed for a number of years. They offer to sell large quantities of coal at that rate. That is one reason why we find bituminous coal coming west to Winnipeg for the first time in five or six years. The very low rate for coal at the pit mouth in the United States to-day accounts for that.

One matter I wish to touch upon briefly is our investigation into the utilization of peat for fuel. Prior to my taking office in the Mines department this work was carried to a stage where it was simply a development of machinery, and one of the requests in the report of the committee last year was that the matter be carried to a conclusion. We think we have reached a conclusion and developed machinery that will manufacture peat on a profitable basis at about $3.50 a ton f.o.b. Peat will have to be used within at most, a hundred miles of the vicinity in which it is manufactured, because it is a bulky and light product and entails a high freight rate. But it has been proved that it is good fuel for fall and spring, and the early stages of winter, as a substitute for coal.

Anthracite is the coal which it will replace for these particular seasons. The government of Ontario and the federal government have arranged for a company to take over the plant at Alfred, where we have been manufacturing fuel, and to run it as a commercial enterprise. All the machinery is developed, they know exactly how to go about it, and we expect they will make a success of the undertaking, and will supply a fairly large quantity of fuel for consumption in eastern Ontario. Needless to say throughout the whole of central Ontario there are adequate peat bogs that can be developed, and a great deal of this fuel can be used as a substitute for coal.

Something was said with respect to power. Let me say, speaking particularly of the Ontario and Quebec regions, that the development of water power will go a long way to assist in solving the fuel problem. It has done so at present, and the development of water-power will relieve the situation to a large extent throughout this portion of Canada. With that object in view, we have been making, in the Interior department and the Power branch, extensive investigation into the probabilities of power development, so that we will have accurate information for those who are desirous of developing those powers for the manufacture of electricity in order to a large extent to replace fuel that is used for various purposes of manufacture.

Mr. MARCIL: We have had a very interesting report recently of an investigation carried on by a commission under Mr. R. A. Ross of Montreal, at Bienfait, Saskatchewan, in regard to briquetting the lignite there. I know this gentleman has given a great deal of study to the question, and he seems to indicate in the report of this commission that the matter has now been brought to a point where it can be carried on successfully. Will the minister give us some information on that?

Mr. STEWART (Argenteuil): I am very glad the hon. member has brought that question to my attention. I had forgotten it for the moment. It is not the first time this question has been mentioned in the House. Some years ago a committee was appointed to investigate the possibilities of briquetting the output of the low grade mines at Bienfait. A considerable amount of investigation has been carried on. A very large plant has been built, and experiments have been carried on at this plant up to a certain point, on the basis of what had been learned in the laboratories here at Ottawa. A carbonizer had been installed in the plant there, which seemed to work very successfully. It was placed outdoors, just outside of the buildings at the experimental plant of the laboratories of the Mines branch; but when it was tried on a commercial scale at Bienfait it proved to be a complete failure. Not only that, but the machinery that was selected and adopted for the briquetting fuel there was also a failure.

At one time the three governments participating, the federal and the two provincial governments of Manitoba and Saskatchewan, were on the point of quitting the experiment altogether. But just about that time at the University of Dakota they discovered a carbonizer known as the Hood-O'Dell, that seemed to work very satisfactorily. It is true they were not taking care of the by-products, —for there are by-products in the manufacture of this material, the same as in others— but it seemed to carbonize very satisfactorily. The officials of the Mines branch and of this committee investigated this carbonizer and they decided to try it out. We built it at the plant at Bienfait, erected it practically of the same dimensions with some changes, experimented with it for a period of six months, and it turned out to be an entire success. It is true that further investigations may create some savings in the by-products, but the carbonizer does the charring of the coal perfectly at a minimum of cost. So far as discoveries go in the United States, or Germany, or Belgium, where experiments are being carried on with these low grade fuels, this carbonizer seems to be the best that has been so far evolved.

After working for this period of time on the charring of the product, they discovered that their briquetting outfit was not of a character that would lend itself to the briquetting of the fuel. I think there is in the report some indication that the minister and the Mines department have not always been quite in accord with the committee, and if we disagreed about any one thing, it was this: We insisted most emphatically that in the experimental stages all that should be done was to prove the experiment; that we should not attempt in a commercial way to manufacture the product; that we should first endeavour to prove by experiment that the coal could be charred and briquetted before we entered into the purchase of machinery and the construction of a plant on a commercial scale. Outside of that, I think we have been going along very harmoniously. When we discovered that the briquetting machine was not of a character that would lend itself to the briquetting of the fuel, I asked them: Would it not be wise to ship to the university three different grades of our char and have it briquetted in a machine that was patented and set up for the purpose of doing this work? That was done. We have the product back in Canada and the experiment has been a splendid success. The fuel is a free-burning fuel, and the whole experiment, I think, can be said to be successful as regards the briquetting of this low grade lignite fuel. I advocate that it is not the purpose of the government to carry on an experiment to the point where its commercial possibilities are thoroughly proved. If you have the experiment carried out, you know how the thing is done; you have the machinery perfected that will do it. Then private enterprise has all the information required to make the manufacture of this product a success. I am afraid, however, that the cost involved in the manufacture of the briquettes is so great that, at the moment, it will not compete successfully with western lignite coals that are offered on the market at any considerable distance from the plant, but within reasonable distances of the plant, where transportation rates are not too great, there is no doubt that a plant at Bienfait can operate and compete successfully.

Mr. MEIGHEN: I think the minister made a mistake. He said that it would not compete with lignite coal that is being offered. He meant American coal?

Mr. STEWART (Argenteuil): No, Alberta coal.

Mr. MEIGHEN: We do not care whether it competes with Alberta coal or not.

Mr. STEWART (Argenteuil): I was merely mentioning, in passing, that the cost of manufacture made it difficult for it to compete with lignite coal coming from Alberta. I was not raising any question whether it should compete or not. The cost of manufacture at the moment is somewhere about $11 a ton, and with transportation rates on top of that within 600 miles, say, of the Alberta mines where coal could be delivered for probably about $10 a ton, it would not enter into competition.

Mr. ROSS (Kingston): Has the minister any information as to the quantity of peat that can be manufactured now for burning by the machinery on hand, and as to how many years the supply of that peat will last? I think the estimate was given last year in the Mines committee that the supply would last for only a very few years.

Mr. STEWART (Argenteuil): I think it is estimated that the Holland Landing deposits alone would last for fifty years, if we compute the ordinary supplies for Ontario, and there are peat bogs in all parts of Ontario, as my hon. friend is aware.

Mr. ROSS (Kingston): The question as to how long the supply will last depends upon the quantity you can manufacture in a year.

Mr. STEWART (Argenteuil): It is a little difficult to say what quantity can be manufactured in a year because drying conditions vary. In a wet year a plant would certainly not turn out two-thirds as much peat as it would in a dry year. The peat has to be air-dried. It is spread upon the ground and dried in the sun. Again I am sorry I cannot give my hon. friend the exact figures; I will get them for him.

Mr. ROSS (Kingston): Does the minister understand that if a season is very wet, we might have none at all?

Mr. STEWART (Argenteuil): I do not think there would be any season when you would not have any supplies at all. One other matter that I wish to speak about, contained in the report, is the suggestion that was made to the committee by an engineer in this city, Mr. Graham, I believe, who has been continuously desirous of getting his scheme tested out by the department. We gave this gentleman an opportunity this year to test out his scheme by the pressure method. I have not had any report from him. We have tried this method out, and we have been unable in the laboratories here to evolve any scheme that one would choose in preference to the air-drying process. Up to date that seems to be the only successful process. I shall be glad to get my hon. friend the information as to the tonnage that it is expected to turn out every twenty-four hours in this plant.

Hon. HUGH GUTHRIE (South Wellington): I should like to say a word on the coal question because I believe in the section of the country from whence I come, there is no subject so prominently in the minds of the people to-day as the question of a supply of Nova Scotia and Alberta coal for domestic and manufacturing purposes in Ontario. I was at home yesterday and Saturday, and I had two or three inquiries as to when we might expect Alberta coal in Guelph. Two weeks ago when I was at home on another occasion, I had the same inquiry from two or three other people. We had just a little taste of Alberta coal in Guelph and other places last fall or early last winter, and I think it has whetted the appetite of the people of Ontario to a great extent. Those who were fortunate enough to get a ton or two, by way of sample, have become very loud in their demands for more of it. They wonder why it is that parliament or the government is not showing more activity towards securing a proper supply of Canadian coal for next winter. I do not know exactly under what arrangement Alberta coal was brought to Ontario last autumn, but I believe it was under some arrangement made between the Canadian National Railways and the government of the province of Ontario whereby 10,000 tons were brought down to Ontario by way of experiment. I believe that the rate given by the railway on that occasion was something like $7 per ton, and I have heard it stated that this rate was a losing proposition for the railway inasmuch as it cost them more than that to bring the coal from the West to Ontario. So that if the business is to be carried on as a permanent one a much higher rate would have to be charged. I agree with my hon. friend from Cumberland (Mr. Logan) when, in his opening remarks, he stated that the coal problem to-day in Canada was perhaps the most important problem that we had to face. We do not yet seem to realize its importance. We have been threatened on two or three occasions in the last five or six years with a coal famine in central Ontario. Whether as a result of strikes in the United States or of a shortage of supply in that country, from one cause or another the people in central Canada have been face to face on two or three occasions with a very awkward situation. We should find a remedy for that difficulty without delay; but unless we get our representatives, the members of this House, to take an active interest in the question I do not believe that we shall find a solution for it.

When we realize that we pay out approximately $100,000,000 a year to obtain what one might describe as a vanishing asset, it does not seem to me to be good business The United States gets our $100,000,000 and we get the coal and eventually the heat and the ashes, and there is nothing left to show for the $100,0000,000.

Mr. GARLAND (Bow River): What about the manufactured goods?

Mr. GUTHRIE: I am speaking more particularly of domestic coal; we get, of course, the power for the manufacture of goods from the coal we use for that purpose. The United States to-day is getting our money, and the employment and the wages that go with that employment are all going across the border. We have in our own country, as we all admit, magnificent coal fields in the Maritime provinces and in the western provinces. Surely we have brains enough, intelligence enough and executive ability enough in this House to solve the question as to how to bring from the East and the West these coal supplies to central Canada where the people have no coal. The last clause of the resolution has not been discussed so far, and to my mind it is

an important one. It is stated in these few words:

That whereas coal is a necessity in effect equal to that of food it should therefore be carried on a preferential toll basis by the railways on the same basis as food.

We have heretofore given preferential rates in regard to certain commodities and in regard to certain localities. In doing so I assume we did a right and proper thing. Should we not apply the same reasoning to the fuel question? Coal is an absolute necessity, as we all realise. Are we then to be hindered from using our own coal simply because our great railways will not give us a low enough rate of haulage? Is parliament so tied hand and foot that we cannot dictate to the railway corporations? I submit we can; and it is of the first importance, of the first necessity, that parliament take action in regard to this coal question, and do so at this session.

I was glad to see in the Speech from the Throne a reference to the coal situation. I do not know whether or not, this reference really contemplates some governmental action in regard to the matter, but at any rate the Speech from the Throne makes this announcement:

The Dominion Fuel Board has been created to study and make recommendations in regard to the development of our fuel resources with a view to making Canada independent, so far as possible, of foreign sources of supply. The investigations carried on by this Board have already been productive of important results, and legislation to encourage Canadian production will be submitted for your consideration.

Does that mean that the government is prepared at this session to offer a solution of this coal difficulty so far as regards central Canada? We from Quebec and Ontario will certainly welcome any proposal of that kind which the government may make. Upon economic grounds we should solve the question in the interests of the country. The use of Canadian coal would settle to a very large extent that vexed question of an adverse balance of trade as between Canada and the United States. As my hon. friend from Cumberland has pointed out the use of Canadian coal instead of American coal would in all human probability have kept the Canadian dollar at par because we would not have sent a hundred millions to the United States last year to pay our coal bill. If we could solve this problem it would give jobs in this country to thousands and thousands of Canadian workmen and retain these men in Canada instead of having them drift to the United States to work in the coal mines there. If all that I hear about the quantity and quality of Nova Scotia and Alberta coal, both for domestic and for manufacturing purposes be true, the provinces could supply the people of central Canada with a fuel as good if not better than that which they are using to-day, and supply it to them at a greatly reduced rate. Surely these are reasons sufficient to cause us to deliberate at some length on the question. I am afraid the government has been rather resting on its oars in regard to this matter; I am afraid we have been depending too much upon dilatory commissions of inquiry of various kinds. There have been inquiries going on in reference to the coal question, in regard to briquetting, and in regard to peat for a great many years, according to my recollection. But these inquiries have not come to a head nor have they resulted in anything concrete. I am satisfied that this House, at this session, if it so desires can frame a measure which will enable central Canada to get Nova Scotia and Alberta coal in as large quantities as may be required. It need not inflict any injury on our railway companies should we see fit to fix reasonable rates for hauling coal.

Mr. IRVINE: What would the hon. gentleman suggest in that direction?

Mr. GUTHRIE: I would frame a measure having regard, first, to railway rates and secondly to financial arrangements, because I believe that money would have to be raised, in the first instance, properly to equip our railways for coal trade for which they have not been equipped hitherto. We should have to provide equipment in engines, in coal cars, in terminal facilities and perhaps in other respects, and it might run into a fairly large sum of money. But in my judgment it would be money well spent. Provide the money first, and then determine what is a fair adequate railway rate. I do not think there would be much subsequent difficulty in solving the problem, for demand and supply and ordinary business enterprise would do the rest. And as a result what would the people have? They would use in Ontario and Quebec coal produced in Canada which would result in keeping a hundred million dollars a year in Canada, which now goes to the United States. The use of Canadian coal would yield a tremendous freight tonnage for our railways and our lake shipping which in itself would furnish greatly increased employment. It would also involve large employment in our mines, far beyond anything we have hitherto enjoyed. It would develop our own resources, which to my mind is worth a great deal to this country.

I see no practical difficulties in the way of a speedy solution of this question. I have read the evidence taken last session. I was impressed by the statement of Mr. M. J.

Butler. I used to know Mr. Butler when I was chairman of the Railway committee of this House, and Mr. Butler was always at the table in his capacity of Deputy Minister of Railways. He is a very well informed man on such a question. He sees no practical difficulties. Why should we? I believe all we have to do is to put our heads together, or allow the government—because after all it is their function, they are governing the country—to develop some plan. But do not postpone the solution any longer. Do it now, so that when the next strike takes place in the Pennsylvania coal fields we shall have nothing to fear. There may or may not be an embargo in the United States. The price of coal may soar again. I had the doubtful pleasure of paying $16.50 and $17 a ton for all the coal I used last winter. I have paid in years past as high as $19 a ton for Pennsylvania anthracite of inferior quality. From all I can learn from coal dealers and others well informed we are at present paying $5, $6 and $7 a ton too much for Pennsylvania coal for domestic purposes in Ontario. Surely this is a question of sufficient interest and magnitude to cause us to deliberate some time on this motion, to discuss it thoroughly, and to gain the views of all sections of the country upon it, in the hope that we may be able to solve the problem this session and enable the people of Canada to have an abundant supply of Canadian coal at reasonable rates next winter.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. JOHN PRITCHARD (North Wellington): When the House rose at six o'clock we were discussing the question of a coal supply for the Dominion of Canada, and I thought I would like to venture a few remarks from the fact that last harvest at the request of one of my constituents I looked into the coal situation a little when I was in Alberta, and I saw some things there in connection with the coal industry that interested me very much. I thought that if they were of any value to the members of the House, I would give them in my own way for what they are worth.

I was informed by a man in my constituency who had an interest in the coal mines at Drumheller that if I went there and got in touch with the manager of those mines, and made some inquiries about the possibility of getting coal to Ontario, I would get some useful information. From Calgary I went to Drumheller and visited the coal mines there. It was beautiful harvest weather the day I got there, with the binders running and the harvest in full swing. The manager of one of the mines met me at the station, showed me through the workings of the mine and gave me all the information I asked for, and it was very interesting. At that time the men were off work owing to certain troubles, not with their employer, but in connection with their union. That was in the early part of September.

I inquired as to the quality of coal they were putting out at that mine, and the manager showed me letters he had received from different parts of Ontario all expressing satisfaction with the coal they had received and asking for more if they could get it. I also inquired as to the possibility of continuing to ship that coal to Ontario. I had heard some men whose opinion I valued in this matter say that it was impracticable to ship coal from Alberta to Ontario, but in discussing this matter with these gentlemen at Drumheller I was led to believe that at the same rates they got for hauling grain the railways could haul coal to Toronto. If the coal could be carried as the hon. member for Cumberland (Mr. Logan) suggested this afternoon, during the slack season of the year when the railways were not hauling grain, they could not see any reason why the railways could not carry it for $6 a ton. The railway companies had been claiming that there was no money in hauling grain, but on the competing lines running from Drumheller the railways were anxious to get grain to haul at a rate that they had claimed was ruinous. I think our railway returns will show that a large crop of grain gives good returns to the railways where they claim they are hauling it at too low a rate. I am persuaded that that coal can be hauled for $6 a ton.

I also inquired what wages the men were getting who worked in the mine, and to my surprise I found that they were pretty well paid. They were getting anywhere from $6.85 up to as high as $20 a day in some cases. The average pay for eight hours work in the mine was $7 a day. What struck me rather forcibly at the time was that men who had good crops of grain just a mile and a half from the mines could not get men to shock the grain, and thousands of acres went unshocked while men from the mines in Drumheller were walking the streets

for several weeks. These farmers offered the men $5 a day, and the day I came back from Drumheller to Calgary a friend of mine met me at the station and told me that a man had been trying to get men for the harvest fields, but had succeeded in getting only one, although men were around the employment office every day I was there. Looking into the situation a little further I found that the men, women and boys working for the Canadian Pacific were getting on an average $1,500 a year. In Alberta, from Calgary to Edmonton they had as fine a crop of wheat as I ever saw, going to an average of twenty-eight bushels per acre. At 80 cents a bushel —and they were selling it for 72 cents a bushel when I was there—it would take 320 acres of wheat to pay five men, women and boys the same money they would get if they were in the employ of the railway company. That was the situation—three hundred and twenty acres to pay five men, women and boys the same wages as the Canadian Pacific Railway were paying their help. Now three hundred and twenty acres is a lot of land to have in wheat, and that is what it would take to pay them those wages, to say nothing of overhead, the capital invested in land, stock and implements as well as taxes, hail insurance and all the rest of the items entering into the expense.

One hon. gentleman this afternoon said how very important it would be to save that money from going out of the country. Is it not just as important to increase our agricultural products and to bring into Canada twice the amount of capital that is entering the country at present? To my mind there is the crux of the situation. I am one of those who believe that wages have got to come down to a proper level. I am of the opinion that there is a connection between wages, taxes and the tariff. Organized labour and organized capital have managed to fix a price for their respective services. In what position, however, is the farmer? He has to go on the labour market and compete with those who have been fixing the price of their products, and he has to sell on the open markets of the world. If the government can overcome this handicap, if they can solve this problem, they will be able to solve lots of other problems at present confronting this country. The truth of the matter is that we are trying to arrange things artificially contrary to the natural trend of commerce. The result is that we have trouble all along the line, and that trouble will continue as long as we maintain such a policy. I think that with comparatively little trouble a successful adjustment of matters could be made. With a very slight drop in the direction I have indicated we should find an improvement. I do not say that the adjustment should be made immediately, but some modification should be carried out at once so as to make the hauling of coal profitable. I believe that could be done and that it ought to be done. That applies not only to the coal situation but to nearly every other industry in the country. A great many of our industries are interlocking in their character and the same handicap affects all. I venture to say that 80 per cent of the amount paid in taxes goes in wages. When there has been a relaxation in that respect an improvement will soon be evident.

Another handicap from which we are suffering is that too many people are what might be called "leaners". One hon. gentleman resented as unparliamentary the term "parasites" which was applied to a certain section of the community. I would not go so far as to use that term with respect to the people to whom I allude but I think it is fair to say that they want to lean on somebody. Upon whom are they going to lean? Are they going to lean upon the man who is growing wheat? Every business ought to stand on its own foundation, and I think that remark is applicable to the coal industry. I am interested in the fuel situation in Ontario to as great an extent as anybody. It is to my interest to buy as cheaply as possible, but I want to pay for my own fuel, I do not want to throw the burden on somebody else. The solution of the problem is possible if we give it a little thought, but there is no use attempting to do it piecemeal. While we are regulating the coal industry we should regulate every other industry in the country and do it on a proper basis.

Mr. H. C. HOCKEN (West Toronto): I was grieved when the hon. member for Comox-Alberni (Mr. Neill) described this motion as something that was intended to benefit one section of the country. The hon. gentleman's remarks sounded to me as though he was looking for a cause for offence, instead of trying to get at the real purpose of the resolution. I think we ought to get away from the practice of pointing out that a certain thing will be advantageous only to a certain section of the country unless it can be substantiated by argument. If that proves to be the case then the proposition ought to be opposed.

I think the hon. member for North Toronto (Mr. Church), in introducing this resolution, has initiated a discussion that ought to prove of great value to parliament, and to the

country. He points out that what is proposed is something for the future. Well, it is not yet in force, so necessarily it must be for the future. If we take action now—and we should have moved long ago—if we start to work out the idea embodied in the resolution, we shall have moved that far toward the solution of this problem with which we must deal. As I view the matter, more should be done to bring about co-operation between the central provinces and the eastern and western provinces of the Dominion. The central provinces of Canada are without an adequate supply of fuel. Without coal, and by reason of their large population, they consume a larger quantity of fuel than both the east and the west put together. As the mover of the resolution said, fuel is almost as great a necessity as food. In our climate it is a primary requirement and if we could bring the west and the east into co-operation, in supplying this great need of the central provinces it seems to me we ought to be pretty well on our way to harmonizing the interests of all the provinces of Canada. We are told by geologists that we have in Alberta about one-sixth of the total coal supply of the world. I see also by the report presented to the Geological Congress that in the province of Saskatchewan there are two and a half billion tons of coal. That is the estimate that has been made for that Congress. Alberta has a much larger supply of coal and, I think, a better quality. Then we have in the eastern provinces an almost unlimited quantity of excellent coal. It seems to me, Mr. Speaker, that it is a reflection on the initiative and enterprise of the people of Canada if we admit ourselves to be unequal to the task of securing for the people of Canada a supply of fuel mined within the boundaries of this country. The supply is here in abundance, and the only problem to be solved is the cost of distribution. Surely there must be enough ability, in the Canadian people to take measures that will enable Canadian mines to be run on full time and supply the central provinces with the fuel they require so badly. In the Maritime provinces there seems to be a feeling that they are cut off from Quebec and Ontario; there is a lack of, shall I say, that family spirit between these two sections of Canada that ought to exist. Surely we could make good that lack if we found a means of keeping all the mines in the Maritime provinces busy the year round, and maintaining a large industrial population that would help to consume Canadian products. The figures that were given by my hon. friend (Mr. Logan) ought to carry weight with every hon. member, to say nothing of every person in the country. My hon. friend said that about $3,000,000 was lost to Canada last year in the matter of exchange alone. I have not gone over the figures, but I am prepared to accept his statement. That money, as he says, might as well have been thrown into the lake. It was money that could have been saved and if we are sending out $3,000,000 to the United States in the shape of exchange, I submit it would be better for us to appropriate that amount of money to recoup the National railway for any loss it might incur in the handling of these absolutely necessary supplies of fuel for the central provinces of the country. Especially is that the case, Sir, when the eastern and western provinces would benefit so largely.

But, there is more than that, Mr. Speaker. There has been a good deal of unrest and discontent in the Maritime provinces, particularly in the coal mining districts, and, as far as I have been able to form an opinion as to the cause of that unrest, it is due largely to the fact that the men who have worked in the mines are restricted in the amount of labour they perform. They complain that while they get so much a day they only work three or four days a week. If they were mining coal that could be sent to the province of Ontario, and if their mines could be kept going every day, instead of three or four days a week, the men who work in these mines would get that much more in wages, and would have that much more for the subsistence of their families; and I submit they would, in all probability, be that much more contented. That is a by-product of this proposal, but it is one that has a very great weight with me, however it may affect the judgment of the other members of the House. If we can do anything to remove the recurring unrest and dissatisfaction in the Maritime provinces, I think we ought to engage our talents in that direction, and it would be an admirable thing for us to do.

I understand that during the past six months experiments have been made in the city of Hamilton, at the western end of lake Ontario, in coking Nova Scotia coal. The reports are that the experiment is a pronounced success, and that this coal which was brought from the Maritime provinces and coked in Hamilton is as high a class of fuel as the anthracite coal from the mines of Pennsylvania. Some will argue that it is a better fuel for domestic purposes. Is it not worth while for us to endeavour to ascertain if the coking of that coal at the mines would not be a profitable operation? If a ton and a half of coal makes

a ton of coke, why not take a ton and a half of coal to Hamilton to have it coked into a ton of coke?

Mr. GRAHAM: Has the hon. member ever given thought to the question of the sale of the by-products? These by-products have to be manufactured from coal, as I understand it, in a centre where they can be consumed, in order to make it profitable.

Mr. HOCKEN: I am not sufficiently familiar with what is done with all the by-products taken from coal to say, but if there are industries that flourish upon the by-products of the coking system, might they not be established in Nova Scotia near the coal mines? Is it not possible for industries of that kind to be located where their raw material is most easily accessible? However, if it is found that it is more profitable to coke the coal in Hamilton, I presume that is what would be done, and it does not affect my argument at all. I believe that we could, even with our present canals take coal from Nova Scotia and sell it in Ontario. If you go up into lake Superior you will find big freighters towing down barges full of iron ore, and sometimes full of wheat. Why could the barge system not be operated from the Nova Scotia dock or mine up the St. Lawrence river and through the canals into lake Ontario? In that way the cost of shipping the coal would be materially reduced. I have understood, and I have been told by those who are in the business, that one of the reasons why Nova Scotia coal is not sent to Ontario was that an arrangement existed between the mine owners in Nova Scotia and the mine owners in Pennsylvania by which the Pennsylvania men were to have the Ontario market, in consideration of the Nova Scotia owners being given the New England market. My hon. friend from Cumberland (Mr. Logan) tells me there is nothing in that—that it is not the case—and I am glad to have his statement to that effect. That being true, Sir, there is no impediment in the way of supplying the province of Ontario largely, if not entirely, from the coal mines of Nova Scotia. I submit that that would so increase the trade between the central provinces and the Maritime provinces that it would bring about a closer community of interest and do a great deal to strengthen the bonds of this confederation, which at times are strained more than they ought to be, and more, I am sure, than any good Canadian desires that they should be.

With reference to the coal in Alberta, they tell us that it cannot be brought down to the province of Ontario where coal is so badly needed, and where there is a large market, at a price that would enable it to compete with Pennsylvania coal. I hesitate, Sir, to dispute the views of the experts of the National Railways and the Canadian Pacific Railway with regard to freight rates, but is is a matter of astonishment to me that these railway managers tell us quite firmly that it is impossible to bring coal from the Alberta mines to Ontario for $7 a ton, while at the same time they are bringing wheat from the Calgary zone to the head of the lakes for $5 a ton. Should it cost any more to transport a ton of coal than a ton of wheat? Is there some peculiar circumstance in the hauling of one product that does not apply to the other? I am not discussing the loading or the unloading, but merely discussing the hauling of the coal itself.

Mr. COOTE: Did the hon. gentleman make the statement that the railways are hauling wheat from the Calgary zone to Ontario for $5 a ton?

Mr. HOCKEN: That is my understanding —25 cents a hundred.

Mr. COOTE: That is to Fort William.

Mr. HOCKEN: Yes, the head of the lakes.

Mr. COOTE: I thought the hon. gentleman meant to this part of the country.

Mr. HOCKEN: No, my idea of the handling of Alberta coal would be to take it to the head of the lakes.

Mr. MANION: For the information of my hon. friend in regard to Alberta coal, I may say it is used at the head of the lakes to-day very successfully. It is the eastern part of the country where the difficulty occurs—the long haul—but the Alberta coal is used at the head of the lakes with very good results.

Mr. EVANS: Does $5 cover the cost to the head of the lakes, or further east?

Mr. HOCKEN: I presume that would be the cost to take it to the head of the lakes. But the cost of taking it from the head of the lakes to St. Catharines, Hamilton or Toronto could not amount to $2 a ton. That would be an excessive rate. If they got one dollar a ton for the waterborne share of the distance, I should think that would be quite sufficient, so that we ought to get at Toronto, in fact as far as Kingston, any port on lake Ontario, this coal at a rate of, at the most, $6. a ton. I am told by a mine owner in Alberta that if the mines were working all the year round, the coal could be sold at the mines for $1.75 a ton. Some of my western friends may have

some information on that point. This man who owns 2,000 acres of coal lands. and who was president of a large coal company near the Drumheller mine, is my informant as to those figures. I think the present price is $2.50 a ton. If you allow $6 a ton for bringing the coal to Ontario and add that to the $1.75 a ton, that means $7.75 a ton. That coal ought to be sold in the city of Toronto or at any other lake port at the outside for $12. or less than $12 a ton, and at that price I am satisfied that it would compete with coal from the Pennsylvania mines.

The great trouble in Alberta, as it is in Nova Scotia, is that the miners do not get work all the year round. they work part time, and you must expect to pay men who work half the week a higher rate of wages than if they are working six days a week. They would be better satisfied to work at lower wages for six days a week than to work half the time at a higher rate, and you would have a more contented population. If in Alberta we could build up a mining population of from 50,000 to 100,000 families, we would have a taxpaying, voting population in Alberta that would be of the utmost value to the whole Dominion of Canada. They would be a consuming population for the manufacturers of the East, and the manufacturers of the East would be customers in buying their coal at a fair price. Surely a mutual arrangement of that kind ought to be satisfactory to the hon. member for Bow River (Mr. Garland). It certainly would be satisfactory to any man whose system is not entirely filled with the virus of free trade.

Mr. GOULD: Is the hon. gentleman aware that the $12. a ton he quotes as the maximum price that should be charged in Ontario is less than is charged myself, for instance, at the point where I live, a much shorter haul, five or six hundred miles less?

Mr. HOCKEN: I am not going to explain my hon. friend's financial difficulties in buying his coal. The hon. member for Fort William and Rainy River (Mr. Manion) says that it sells at $15 a ton at the head of the lakes. If the coal costs $1.75 at the mine, and if it could be brought down for $6, I cannot see why any person should endeavour to profiteer to the extent of selling it for more than $12 a ton. Any person who would do that would be a profiteer, and that is a case where the government ought to take the matter in hand. If there is anything the government would be justified in doing, it is in taking steps, whether the article is food or fuel, to prevent anything like profiteering. I am not in favour of attempting this as a national enterprise; I have not got that far in my public ownership view; but I have got so far as to contend that no man handling food or fuel should be allowed an excessive profit upon what he turns over.

Mr. WARD: Where did the hon. gentleman get that price of $1.75?

Mr. HOCKEN: I explained before that a man who was president of a coal mine and who owned 2,000 acres of coal lands in the vicinity of the Drumheller mines gave me his word positively that they could sell the coal at a good profit at $1.75 a ton if they were working all the year round. He says that they sell it now at $2.50 a ton and they are working only part time.

When the hon. member for Cumberland (Mr. Logan) was speaking about getting proper equipment for the handling of fuel, some person on this side of the House asked him if he had estimated the cost of the equipment. The thought occurred to me at the time that we might spend $50,000,000 on equipment, on coal cars, because you would not have to spend anything for locomotives. We have an equipment of locomotives sufficient to handle trains of grain cars, and I presume they would be available at other seasons of the year to handle coal cars. A sum amounting to $50,000,000 would buy an enormous quantity of coal cars. The interest on $50,000,000 would not be as much as we are now paying in exchange on the $96,000,000 which we are sending to the United States every year for our supply of coal in this country.

What I would like to see is some effort made to get co-operation between the mine owners, both east and west; all the shipping interests, particularly the government marine; and the railways, under some kind of leadership from this government or this House. I should like to see those interests co-operate to study out a plan by which this object that we are talking about to-day could be attained. Surely it is worth while making an effort. The advantages to be derived from working out successfully a plan such as the hon. member for North Toronto (Mr. Church) has proposed are enormous, not only in the saving of money, but in the certainty that we would have in Canada of a fuel supply always, and in the development of the western provinces and the eastern provinces to supply the great needs of the central provinces. I do not

think anything could be suggested that is better calculated to get us all working together in an effort to use the natural products of the West and the East to supply the great needs of the central provinces. I hope, out of this discussion, there will come a substantial effort on the part of the government to work out some plan, by co-operation of the interests concerned, to accomplish the purpose of the resolution.

Mr. E. J. GARLAND (Bow River): Mr. Speaker, the question before the House is one of sufficient importance to engage the attention of the government to a far greater extent than it has heretofore; but before criticising the government for its, shall I say, masterly inactivity during the past year, let me attempt to answer one or both of the preceding two speakers? My hon. friend on my left (Mr. Pritchard) spent one day in the Drumheller coal fields, and he came away from that mining district convinced that all the difficulties with regard to moving coal from the mines to Ontario could be solved by reducing the wages of labour. May I inform him that recently in the Alberta legislature, one of the members of that assembly introduced a resolution asking the Alberta government to appoint a commission to investigate the entire coal trade, including wages and all other operating costs? In introducing that resolution he gave some startling figures. He gave the average earnings of employees in mines producing domestic coal in Alberta as $7.50 per day. The higher wages—he gave a tabulated list of figures—were for steam coal production.

The value of the daily production per miner in the United States was $34.98½ and in Alberta the average daily production per miner was $46.94. Let us deduct the $7.50 from $46.94, and I do not think that anyone will argue that the miner is overpaid. However, these are simply his figures, and they cannot be verified until subsequent to the investigation by the commission for which he has asked. I submit however that a cursory examination of the mining conditions in the province could hardly justify anyone in suggesting that labour wages are responsible for the high cost of the coal. To my hon. friend from West Toronto (Mr. Hocken) may I say that I was delighted with his remarks regarding a desire to repair the breach that apparently exists between the eastern and the western provinces and central Canada. It would be quite a simple matter for those who are really sincere in this wish in the central provinces to repair that breach, and it could be done very readily. The method is so obvious that I need hardly state it; hon. gentlemen around me have already indicated it by their applause.

Mr. MANION: How?

Mr. GARLAND (Bow River): By removing the protective duty especially on foodstuffs and implements of production. Let me tell the Minister of the Interior (Mr. Stewart, Argenteuil) that one of the real factors entering into the production cost is that the department has permitted a great deal of the mining lands to fall into the hands of private speculators who do not operate these mines at all but simply charge the real operators a royalty for so doing. Last session we had an inquiry into this whole question, and a most exhaustive study was made of the situation by a very excellent committee; as my hon. friend from Cumberland (Mr. Logan) is aware that committee was headed by the hon. member for Cape Breton South and Richmond (Mr. Carroll) himself a miner at one time and now an eminent legal light. That committee, after hearing a great deal of evidence and taking testimony not only from mine operators, miners, railwaymen and economists, but also from independent outside sources, submitted an exhaustive report, not one single recommendation in which has to this day been implemented by this government. One statement made by the committee without any hesitation was that it was absolutely necessary that every effort possible should and must be made at once by Canada through its government, its transportation companies, its coal operators and manufacturers, to make Canada independent of other countries for its fuel supply. Nothing has been done by this government to implement that suggestion. The report goes on to say further, that what is wanted in this connection is propaganda and the advertising throughout Canada of the fuel value of Canadian coal. I quote from the report:

> In this connection your committee would like to point out that until two years ago the fuel needs of Winnipeg were supplied to the extent of 85 per cent by United States anthracite, but through the continued efforts of the Alberta government and the coal operators 90 per cent of that city's supply is now supplied by Alberta.

Mr. HOCKEN: What committee was that?

Mr. GARLAND (Bow River): The Mines and Minerals committee, appointed by this House last year. No educational propaganda has been carried on by this government: the work that has been carried on has been through the Alberta government's trade com-

missioner. That provincial government has been conducting a campaign throughout the summer in Ontario, and hon. gentlemen from that province will remember that experiments were made at Hamilton and all other important points in connection with fuel tests. We shipped coal to this province under a special rate of $7 from the Canadian National Railways, some 15,000 or 16,000 tons were transported. The coal has proved absolutely satisfactory, as all hon. members will agree. The standing committee further suggested that the Department of the Interior through its Intelligence branch should undertake this educational campaign. That has not been done, either; the government is still quiescent in the matter. Again, the committee recommended that an investigation be made immediately by independent experts into the evidence given by transportation witnesses at its hearings. In Alberta, as a previous speaker has stated, we possess 14 per cent of the world's fuel supply.

Mr. STEWART (Argenteuil): Can the hon. member name any important point in Ontario where Alberta coal has not been used? What better advertising does he want than that?

Mr. GARLAND (Bow River): The shipment of that coal was made at the instance of the Alberta government; we have not had any co-operation from the federal government in that matter.

Mr. STEWART (Argenteuil): The commissioner from Alberta was here in the field and he received every assistance from the officers of the Mines Department. The important thing was to get the coal to the people, and they are actually using it in their furnaces.

Mr. GARLAND (Bow River): The suggestion was made in the report that a campaign should be carried on by the Intelligence branch of the department, and I would ask the minister to show me a single pamphlet or any particle of propaganda published by the department in this matter last year.

Mr. STEWART (Argenteuil): The answer to that question is quite apparent. The coal is being used by the actual consumers in each of the communities in which coal is required. So far as I am aware, in every important community in the province of Ontario, including this city, Alberta coal has been used. That coal has come from west of Red Deer and from Drumheller, so that we have not been remiss in our duty in getting it to the people. That being the case, is the coal not getting the very best kind of advertising possible?

Mr. GARLAND (Bow River): My statement still stands, that the department has undertaken no educational propaganda. The coal was sent here by the operators and the provincial government sent two experts along with it, one a fuel expert for testing purposes and the other a trade commissioner who carried on an educational campaign. Now, we have in Alberta 14 per cent of the world's fuel supply. West of a line drawn from Lethbridge to Edmonton we have the finest type of semi-anthracite and domestic fuels in the world. The development of that coal field will depend as much upon the establishment of a Pacific market as on the securing of the Ontario one. That this is the case is indicated by the fact that during the last few years a considerable sale has been made by the Drumheller and Lethbridge coal producers in Montana, Dakota, Oregon and Washington; and at the present time negotiations are about closed for the equipping of the city of Seattle with large bunkering facilities through which we shall be able to sell Alberta coal. Any attempt by this parliament to impose a duty against coal coming into Ontario will inevitably lead to retaliatory measures by the United States. A serious loss to the West and, indeed, I think, to all Canada would certainly result therefrom. Last session I secured from the Minister of Finance a concession with regard to the tariff. I spoke in this House in March last year asking that the duty now imposed against the coals on the n.o.p. list, upon which list our Alberta coal stood at that time, should be removed. There existed then a 53 cent duty on Alberta coal entering the States which prevented the full exploitation of the United States market by Alberta producers. The Minister of Finance lent a sympathetic ear to our suggestion and to the resolutions from the operators and boards of trade in Alberta, with the result that when the tariff came down the duty was removed. We now find hon. gentlemen to our right asking that the duty be re-imposed on Alberta coal. I hope this will not be done.

If I were of a vindictive spirit, there is nothing that would give me greater pleasure than seeing those who have so long supported tariff protection suffering under it for their coal. I am not of a vindictive spirit, therefore I do not wish them any such misfortune. But, frankly, I ask the manufacturers of Ontario, how do they like the possibility under a Conservative resolution of paying from 50 cents to $3 more a ton for the coal they use

for industrial as well as for domestic purposes? And by a strange anomaly a resolution is introduced by a Conservative in this House this year asking for protection for coal, yet a request was made to the Mines and Minerals committee last year by another eminent member of the Conservative party, Mr. Mewburn, who asked that the drawback allowed on bituminous coal for manufacturing purposes in Ontario should be extended to include domestic bituminous coal also. I sometimes wonder whether they really know if they want protection or not.

There is no fuel problem in Canada. There is no necessity to establish a tariff duty in order to develop our coal fields. There is nothing that can prevent their natural development in time. Artificial stimulation of any industry in this country can only result in great losses to the consuming public. The whole question simmers down to one of transportation.

Mr. MEIGHEN: I do not understand the hon. member yet. He stated that the former duty of 53 cents a ton on what was described as n.o.p. coal had prevented the Alberta coal fields from exploiting the American market, and was removed. I do not say that he is wrong, but I have not got it into my head yet. Would he mind helping me?

Mr. GARLAND (Bow River): I may perhaps help the right hon. gentleman by reading him a resolution from the operators dealing with the question. It is as follows:

> Whereas the said United States tariff on coal is only made applicable to coal from countries imposing duty on coal from the United States such as Canada and
>
> Whereas the schedule of customs duties of the Canadian tariff, admits anthracite and coke when imported into Canada, free of duty, but imposes a duty of fifty three cents per ton on "Bituminous round and run of mine and coal not otherwise provided" and
>
> Whereas the coal from the Drumheller field is not anthracite or bituminous and cannot be classified under either head, but is classed by all governments and competent mining authority as "sub-bituminous" or lignite and therefore does not come under either of the specific classifications mentioned in the Canadian schedules, but is covered by the general clause "Coal not otherwise provided for" of item 588 and
>
> Whereas all coal imported into Canada from the United States is either anthracite or bituminous and little or none of such imported coal could be put in the sub-bituminous or lignite class with Drumheller, Edmonton or Lethbridge domestic coal, it follows that the duty levied by our government on this grade of coal under the general clause "Coal N.O.P." of item 588 is not productive of any revenue to our government and the placing of this grade of coal on the free list in Canada would not cost the government any loss of revenue, but would automatically operate to place our coal on the free list in the United States and admit coal exported by us to the United States markets without payment of duty and
>
> Whereas the general market conditions in the States of North Dakota, Minnesota, Idaho and Washington, have recently developed opportunity to secure outlet for our excess production and the production from Lethbridge and Edmonton which is now being marketed in the above-named territory in growing quantity and
>
> Whereas the railways serving the coal fields named are now ready, willing and able to furnish cars for transportation to this territory in greater quantity than they have ever been able to do in the past and are now soliciting this export business as a means of augmenting their own earnings.
>
> Therefore be it resolved that we ask for the removal of the 53 cents duty.

At that time we had been attempting to ship in coal to the United States.

Mr. MEIGHEN: I see. The hon. member says that the American duty automatically goes off with the removal of our duty.

Mr. GARLAND (Bow River): Yes.

Mr. MEIGHEN: There was really no protection there at all.

Mr. STEWART (Argenteuil): There is a reciprocal arrangement with the American Department of Interior with reference to the definition of coal, and under it we have an accepted definition known as "lignite," which is reciprocally shipped.

Mr. MEIGHEN: The minister has made it quite clear. I will never bother my hon. friend (Mr. Garland) with a question again.

Mr. GARLAND (Bow River): I am very grateful to the right hon. gentleman for his kindly forbearance. Mr. F. W. Gray, an eminent authority on coal, and connected with the Canadian Institute of Mining and Metallurgy, wrote an article about a year ago in Saturday Night, the concluding paragraph of which is as follows:

> Generally, the districts of Canada that contain the most abundant and dependable waterpowers are precisely the districts that are devoid of coal seams. The fullest development of both the coal seams and the waterpowers of Canada cannot relieve us entirely of the necessity to import coal, and both can be encouraged without stint with no fear of either interest suffering, and without the slightest likelihood of meeting the power requirements of the country.
>
> Similarly, the use of peat as a fuel, and the utilization of oil shales, can be encouraged to the limit of their availability without any danger of affecting the production of coal in Canada, and also with but little hope of decreasing the quantity of coal imported into Canada.

He gives some interesting figures of the increasing consumption of coal consonant with increase in population, and suggests that within thirty years Canada may have a population of fifteen million, of whom eight million will live west of Winnipeg and there will be an important concentration of population in Alberta that will not be agrarian in out-

look, but distinctly industrial, with all that this implies in a democratic country. Of fifty-two million tons of coal estimated as likely to be mined, he is of opinion that about thirty-eight millions, or 73 per cent, will be mined in Alberta, Saskatchewan and eastern British Columbia. It looks as if the forecast of some years ago that the Empire is moving westward may be true. We may hope in the future to see in the province of Alberta the juxtaposition of the two great basic industries, agriculture and mining. It is one of the dreams that people perhaps are justified in expecting to see realized.

As I have said, the whole question boils down to transportation: Can the coal be moved from western and eastern points to central Canada and laid down here at a price to compete with anthracite coal from the United States? The evidence on this point before the parliamentary committee last year was exceedingly conflicting. In practically every case independent outside witnesses, men who had at one time or another

9. p.m. been connected with the railways, men who were experts in an independent sense, testified that the coal could be moved at a rate of not much over $6 a ton. Some, like Mr. M. J. Butler, even went so far as to suggest that the rate might be materially reduced even below this figure by the establisment of a special type of hundred ton gondola cars, heavy engines, and so forth. But without going into that aspect of the case at the moment, may I take up some of the points raised by the witnesses last year? At that time, with the layman's limited knowledge of the subject, we did not have very much opportunity to effectively criticize the evidence of the railway experts. I wish, Mr. Speaker, to support the hon. member for Cumberland (Mr. Logan) when he states that one of the most disgraceful things about the evidence was the fact that the Canadian National witnesses did not testify until after they had consulted with the Canadian Pacific officials. Now, the Canadian Pacific authorities were not free from suspicion of being interested against the movement of this coal. When we considered the interlocking—what shall I call it?—responsibilities of the Canadian Pacific with the Pennsylvania Railway and with some of the Pennsylvania mines, we wonder perhaps if they are not biased in favour of the movement from Pennsylvania rather than from western or eastern Canada to Ontario. Another reason for our suspicion of antagonism would be that the great bulk of the coal to be moved would be by the Canadian National and not by the Canadian Pacific lines. True, there are large coal deposits around Lethbridge and Table on the Canadian Pacific, but by far the greater quantity would be moved over the Canadian National lines. I anticipate that the president of the Canadian National Railways has a pretty hard row to hoe and that he will hardly be in a position to enter into a bitter rate war with the Canadian Pacific Railway Company. Therefore, it may have been necessary for him through his experts to quote a rate at least not very different from the Canadian Pacific rate, which was $9.80. We suggested, in our report to this House, which was unanimously adopted by this House. that we were not satisfied with the evidence. The report reads: "The views expressed were very divergent and inconsistent,"

And went on to recommend that the government:

—"undertake an independent investigation immediately through whatever channels it deems best, to ascertain the actual cost of carrying coal from eastern and western points to central Canada. We believe that our National railway should carry fuel at cost in this crisis, and your committee suggests that the rates quoted are not cost rates but much higher.

Now with regard to those rates may I point out some extraordinary differences that exist at the present time?

We will take an ordinary single car, not train load lots, moving from Vancouver to let us say Montreal. One of them comes to my mind at this moment. The province of Quebec seems to like Epsom salts. I am not sure just why they like them, but at any rate it is a very easily moved commodity from Vancouver, and a car of Epsom salts from Vancouver to Montreal, a distance of 3,128 miles is charged $450. By the way, this car moves to any point in Quebec province, not to Montreal alone—a distance of 3,128 miles for $450. And moreover I will ask you to note that Epsom salts must be carried on a really first-class car, free from dampness, and also bearing a heavy rate of insurance. It is a strange thing that the railway authorities ask $450, precisely the same amount, for moving one car of coal from Drumheller to Toronto, a distance 1,000 miles less, and coal is a commodity requiring a very different type of car. Putting it on another basis, it costs 15 cents per car mile for the salts, and 23 cents per car mile for the coal. Naturally, one asks why, and Mr. Chard, the railway freight expert of the province of Alberta, suggests that in a trainload lot of 50 cars, moving 40 tons apiece, the rate based on the railway earnings of 1920 would be $6. The railway earnings in 1920 on the Canadian Pacific were $5.26 per train mile, and the freight earnings $5.82 per train mile in the West, and the operating expenses on all traffic $3.88.

Other commodities moving to Montreal from the same point, Vancouver, and the rates charged are found in the railway tariffs, as follows:

	Per car
Crude rubber	$300
Bean oil	300
Cottonseed oil	300
Sago, tapioca flour, tapioca	330
Skins and hides, dry	360
Sheep skins	375
Hardwood	384
Packing, such as burlap	360
Bulbs	350
Chinaware	360

And so on down a long list of articles of very little economic value and of very little necessity to the people. All these can be moved from Vancouver to Montreal for $350 or $400 or less than the railways will move such a necessity as coal for, from Drumheller, a distance of 1,000 miles less. These things have not been explained, and in reply to a query Mr. J. E. Dalrymple, vice-president of the railway, following the publication of this table I am quoting from, said that he could not answer the figures given owing to the complex character of the subject. Sir Henry Thornton giving evidence before the Senate committee last year, in answer to a question put to him by Senator Casgrain, if my memory serves me right, as to the basis for railways rates, said in effect that he could assure the Senator that he could give him any rate at any time between any two points and prove it. That roughly is the meat of his statement; I am not sure that they are the exact words he used.

Then we took evidence on freight rates between Coal Spur near Edmonton and Prince Rupert, and found that the rate was $3.40 per ton for a distance of 863 miles, or 39.02 cents per ton mile. The distance from Edmonton to Toronto is 2,102 miles, and the same rate per ton mile rate applied to Toronto from Coal Spur would be $824 per ton. These figures, I think, deserve further investigation and consideration. I do not think my friends to the extreme right are justified in taking the very timorous attitude they do in regard to the position Canada is in in connection with her coal supply. I do not think that such a grave situation exists that there is danger of a sudden closing down of industry and the entire destruction of the Canadian nation. I can hardly conceive that those who live on the other side of the border have any such extraordinary malicious intent towards this country. As a matter of fact, the residents in some of the states, particularly in Massachusetts, are extremely bitter against the importation of anthracite into Canada because they are not getting enough of it down there, and they took the opportunity of warning us in plenty of time two years ago or more that it might be necessary for us to look to ourselves or to some other source for our coal supply. I think if our friends will leave the tariff out of this question the people of the United States and the people of Canada can solve this question themselves in their own way. I would therefore move, Mr. Chairman:

That the resolution be amended by striking out paragraphs 3 and 4 and substituting therefor the following:

That the government undertake immediately an independent investigation to ascertain the coal cost of carrying coal from eastern and western coal exporting points to central Canada with a view to having a cost rate fixed for such carriage.

Mr. SPEAKER: I am reminded that the amendment contemplates an expenditure of money. However, I am not prepared to render a decision immediately, so the debate may proceed and I will inform the House later on what decision I have reached.

Mr. GARLAND (Bow River): Before you pass on the matter Mr. Speaker, may I suggest that the amendment is simply carrying out word for word the recommendation of the Mines and Minerals committee passed unanimously by this House last year.

Mr. W. F. CARROLL (Cape Breton South and Richmond): I think we ought to agree that the matter we are discussing to-day is of national importance. The question has been fairly discussed by hon. gentlemen on both sides and expression has been given to various ideas with respect to the tariff, and otherwise. Notwithstanding that, I believe we are all highly interested in the question of Canada having a fuel supply of her own. The question is, of course, and always has been, how the Dominion is going to accomplish that. The hon. gentleman who moved this resolution has performed a good day's work by bringing this question once more before the House. Last session he moved a somewhat similar resolution into which, however, I think the question of duty did not enter. On that occasion I moved an amendment that the whole matter should be turned over to the select standing committee on Mines and Minerals for investigation and report. That amendment was accepted by the hon. member and the committee went to work. I think that committee performed an excellent service in bringing to the attention of parliament and the country the condition of our coal resources, the condition of transportation as it re-

lates to coal. and the condition that our people may some day be in owing to failure on the part of parliament to deal with this question at an earlier date. My hon. friend the member for Bow River (Mr. Garland) was a very active member of the committee, in fact the most active member on it, and assisted it very greatly during the investigation. He, of course, comes from that part of the West where the coal resources are practically inexhaustible. Due to his efforts, information was brought before us respecting the coal situation, particularly as it referred to the West, that we had not heard before. We had much valuable information given to us by a gentleman named Stutchbury, a commissioner from Alberta with respect to the coal resources of that province. As pointed out by my hon. friend from Bow River, I think it was through his efforts, backed by those of the provincial government, that it became possible for the coal operators of Alberta to replace American anthracite in the Canadian western market, as far east as Winnipeg, to the extent of at least 90 per cent.

I do not know whether I can follow my hon. friend from Bow River in what he said as to whether or not the government have put into effect the recommendations of the committee referred to. I am not prepared to say they have done no advertising, I do not know. Nor am I prepared to say that the government have carried out the recommendation which we made to ascertain the actual cost of carrying coal from western to central Canada. They may have done so, but as to that I cannot speak with any definiteness. But there was one recommendation the government have not undertaken to implement and it is one I think my hon. friend did not touch upon. It was that there should be immediately called at some central point in Canada a conference of coal operators, of representatives of transportation companies, of representatives of the various governments Dominion and provincial, with a few members of the House of Commons committee and of the Senate, to consider the whole question.

Mr. GARLAND (Bow River): A conference was called in Winnipeg, not such a conference as was recommended but a conference that supplied all that the other would have accomplished.

Mr. CARROLL: It is said that two heads are better than one. The idea the committee had in recommending such a conference was that it should be representative of the federal government, of all the provinces of Canada, of the coal operators, of the transportation companies, and of parliament. I understand my hon. friend is right in saying that a conference was called by the province of Alberta. That conference met in Winnipeg and I have no doubt did excellent work, but it was not such a conference as the committee had in mind when they made their representation to parliament. The government may have considered such a conference would have been too unwieldy. My own idea was that it would be an educational conference composed of representatives from the East, from the Centre, and from the West, at which something could be done. There might be some give and take on the question of the tariff, or any other question affecting the coal industry of Canada. There might be some give and take in so far as the transportation companies of the Dominion are concerned. The conference might have demonstrated that our transportation companies, especially our railway companies, might be able—with great benefit to the country—to carry coal from Alberta into central Canada at no profit but at absolute cost. However, I am not criticizing the government for not having made this legislation effective.

During the committee investigation to which I have referred there is no doubt in the world that the evidence of the transportation magnates was in very many cases contradictory and most inconsistent. I took the trouble last summer to go into the evidence very carefully. Let me say that I know nothing about freight rates or transportation problems from the business standpoint, but having had occasion to go into the evidence in question I came to the conclusion that, with a fair amount of new equipment, coal may be carried from the Drumheller mines in Alberta to the city of Toronto for $5.50 a ton. That is only an opinion of one who has had no training in freight rates, and knows very little or nothing about transportation questions.

I was simply weighing the evidence of the three parties who gave evidence before that committee, the gentlemen from the Canadian Pacific Railway, the freight men from the Canadian National Railways and the independent men who appeared before that committee, who know something about freight rates in this country. However, the best that they would do, so far as the committee was concerned, I think, was $9 a ton, and that in long trains and for only a few months of the year. I think that our Canadian National Railways at least should be forced to carry this coal to central Canada as a national proposition at actual cost, and that is the reason why the committee suggested that we should make that recommendation, that the govern-

ment should further investigate the cost of carrying this coal to whatever places they deemed sufficient, and ascertain what was the actual cost. Why should not the National Railways carry our coal at cost? I am glad to see that our National system of railways is doing very well now. Last year they surpassed all other years in the money which they took in and in the matter of running the National Railways at a minimum cost. I say it is a great national question. We do not ask the Canadian National Railways to carry coal at less than cost. That would be wrong, but we do say—and I for one will always insist—that we in this country who own those roads, have a right on behalf of the Canadian nation to insist on our National Railways carrying that coal to central Canada at cost.

So far as the transportation of coal in eastern Canada is concerned it is not the difficult problem which western Canada has to struggle with. For example from the mines of Cape Breton to Montreal coal may be transported for, I understand, $1 a ton, which is water transportation, and even at that rate, I am given to understand by men in the industry, they are not able to compete with the American bituminous coal on the markets of Montreal and while last year the mines of Cape Breton were not working at full time,—and they have some of the best day labour in Canada,—while we had a surplus of some hundred thousand tons of coal, notwithstanding the fact that the British Empire Steel Corporation have splendid facilities for transporting coal from Sydney and Roseburn to Montreal, and splendid facilities at Montreal for handling it, only 30 per cent of the bituminous demand of Quebec was met by eastern coal, which goes to show most conclusively that those who say that Nova Scotia coal cannot successfully compete with American bituminous in the markets of Montreal are absolutely correct.

I am not at this stage going into the question of tariff. My hon. friend from Cumberland (Mr. Logan) has gone into that question very much in detail. I must confess to you, Mr. Speaker, that generally I am a low tariff man. I think if we get revenue sufficient for our needs we are going far enough. I am not going to say very much to-night on the question of tariff, except to point out an inconsistency which obtains, in so far as the tariff on coal is concerned. That inconsistency is that while bituminous coal, run-of-mine coal or screen coal coming from the United States to Canada, carries a duty of 53 cents, slack coal is allowed in at 14 cents per ton duty. I think that is an inconsistency in our tariff, and I say that tariff in respect to bituminous coal should be raised, and why? The hon. member for Cumberland (Mr. Logan) said this afternoon—and it is absolutely correct—that the American operators will bring coal in, say, to Montreal, where they too have splendid facilities so far as handling the coal is concerned; they will bring in run-of-mine and screen coal, but mostly run-of-mine-coal. They will pay 53 cents per ton duty on the run-of-mine coal. They will bring in slack coal to Montreal, on which they pay 14 cents duty, and will mix the two coals together, sell them as run-of-mine, and they are simply splitting the duty so far as that is concerned. Slack coal is not good for domestic fuel, but is excellent for manufacturing purposes. It is brought into Montreal by the American operators and dumped in with the run-of-mine coal; the two are mixed together and sold as domestic coal. I would like to see that duty levelled up in some way or other, and I am bringing that to the attention of the government, and especially to the attention of the Acting Minister of Finance (Mr. Robb).

I do not think the people of Ontario would stand for the extra duty, or a duty at all, on anthracite coal. I do not blame them. There is, however, an anthracite dust—and this point I would like to bring to the attention of the minister—which is used first of all for steam purposes and is used also in the manufacture of certain small articles, pipes and the like of that. I would like to bring to the attention of the Acting Minister of Finance the fact that 50 per cent of that anthracite dust which is imported into this country is not used for manufacturing purposes as a fuel at all or as a steam coal.

I have said all that I intend to say on the tariff in regard to coal, except that I do not think the people of central Canada at this stage, without a proper substitute for anthracite, will stand for a duty on anthracite coal. If the coking business becomes in Canada the success which I hope it will be some day, then there may be a reason why they should place a duty on anthracite coal, for the purpose, if for nothing else, of raising a revenue. They have a splendid substitute in the West, and I am hoping the day will come when the operators of Alberta will be able to send their anthracite into central Canada. If that day comes, that will be the time when we should discuss the duty on anthracite coal; but I do not think it is fair to the people of this country at this stage to ask for a duty on anthracite coal when we have nothing to give them in return. I come from the centre of the great coal in-

dustry of Nova Scotia, and I have no doubt that my words in this regard to-night, when I say that the time has not yet arrived when we should place a duty on anthracite coal, will not be very kindly received by all the people in my province especially by the operators.

I am coming now to another question. I am hoping the day will come when we will be able to get Alberta coal into the province of Ontario and further east, if you will, as a substitute for anthracite coal. I say, Mr. Speaker, there is one way, and in my humble opinion one way only, by which that can be accomplished, and it is that this government should undertake to so equip our National railways in the matter of carrying coal that they will be able to bring the cost down to three or four, or, at most five dollars a ton. That can be done at a very small outlay. I again bring to the attention of the government the great necessity for giving this matter their utmost consideration and care, and I hope in a short time we shall have our National railways equipped as regards the coal carrying trade as well as some of the American roads are equipped.

I have another proposition to make regarding eastern Canada, and it is a proposition which will not add one cent or one dollar to the cost of coal or coke to the consumer of this country. We heard something to-day about coke ovens which were established some time ago at Hamilton. That is all very well. Those coke ovens are established there, and I understand the government has given them no encouragement by way of subsidy or otherwise. But what good, may I ask, will the coke ovens of Hamilton be to the coal industry of Nova Scotia? I am afraid we cannot at this stage compete with the Americans in the Hamilton market, and the result will be that the coke ovens in Hamilton will be used to coke American bituminous coal which will be sent there to be coked. May I say that I made this suggestion this last year in the committee; but the hon. member for Bow River (Mr. Garland) and others who are against subsidies and bonuses of all kinds refused to sign the report if my proposition was included, and good fellow that I was, I wanted to have a report that was unanimous, so I did not insist on my proposition being included. We can, however, discuss it to-night. I think I have been fair to the Alberta coal fields when I say that the government should undertake to equip the National railways to such an extent that they will be able to land Alberta coal in Ontario with freight rates of not over $5 a ton. May I ask my hon. friends from Alberta then to give some consideration at least to a proposition that I am going to make as regards eastern coal? I understand Alberta coal is not good for making coke. Much of it is a good substitute for anthracite coal. The government having undertaken to equip our National railways with the proper facilities for carrying coal from Alberta to the East, my proposition to the government as regards the coal trade in the East is this, that they should bonus every ton of coke which is manufactured from Canadian bituminous coal. The cost to the consumer will not be one dollar more. This may cost the government, the people of this country, a little in the way of money, but what an enormous benefit it will be if we in the East can replace in the markets of Canada American coal with a proper substitute, namely, coke which will be manufactured from Canadian bituminous coal? I venture to say that, if that is done, and with the proper facilities by eastern companies for carrying coal from Montreal to Hamilton, every ton of coke which will be manufactured in the coke ovens of Hamilton will be Canadian coal. I submit this proposition to the government, and I think it is something they should take into serious consideration as regards both the East and the West.

This afternoon, I noticed a letter in the Ottawa Evening Journal. It was a surprising thing to me to ascertain the enormous spread between the cost of coal landed at the international boundary and the cost of coal to the householder in the city of Ottawa. There is something wrong. May I quote some figures which are given in this paper, and these figures are absolutely right, because in answer to some questions asked by the hon. member for North Toronto (Mr. Church), the government replied by giving the quantity of coal brought in and the price of that coal. From these figures it is ascertained that anthracite coal cost at the border for the last three years, $8,85, $8.74 and $8.99, respectively. The freight rate from the international boundary through which this coal comes, is $1.76 a ton, and this makes the actual cost of coal in Ottawa around $10. Is it not a marvellous thing that the coal is sold in Ottawa for $17 a ton? The people of Ottawa and of other Ontario cities are being, I was going to use a stronger word, but I will say fleeced, not by the coal operators as much as by the coal dealers. This is another question which, I think, the government should undertake to investigate on behalf, especially of the people of Ontario. The whole question is an important one and one that should be considered. The government should at the

earliest possible moment take into consideration the two propositions which I have made, the one regarding proper equipment for our National railways, and the other regarding the question of a bonus on coke manufactured from Canadian bituminous coal. All these things are important, and I hope the governmen will give them their best consideration. If they sit around their round table and give the whole matter their consideration, I am sure they will make both those suggestions of mine effective in a short time.

I wish to make a few observations as regards the coal industry in Nova Scotia. I am glad to say that at the present time the industry in Nova Scotia is in a flourishing state. Unfortunately, if they keep on at the present rate of production, before the 1st June, they will likely have on their hands a surplus of one million tons of coal for which they have not got at the present time a market. The mines are running six days a week in order to give the employees employment; but in doing that they are banking a surplus of a million tons for which they have no prospective market at the present time. This is unfortunate, and if something is not done to enable the coal operators of Nova Scotia to compete more successfully with the coal operators of the United States, I am afraid that the million tons of coal, which the operators of Nova Scotia will have on hand on the 1st June and for which they have no market at present, will be on their hands, at least for the remainder of the season. There is no doubt in the world that a basic industry like coal, steel-making, farming or the rest, is the life of Canada, and if there is no financial success attending those basic industries, if I may call them so, then I have some fear for the future of Canada. If we are not able to give the manufacturing industry in this country which uses coal as a fuel in its factories, five dollar coal, then I have some fear for the future of manufacturing in Canada. The whole question of coal is so interwoven with farming, steel-making and every other industry in this country, that it is most important that we should give our whole minds to this coal question in order, first, to give Canada a cheap supply of coal and, second, to ensure the Canadian people always a supply of coal of which we have inexhaustible quantities in both the East and the West. Why should we send $100,000,000 year after year to the American people when we have at our doors the very product which we are buying from them? Why should the people of Canada give to American workmen $25,000,000 of that money which might be spent in Canada, which ought to be spent in Canada, and which I trust in a short time will be spent in Canada by Canadian operators for the benefit of Canadian labour. I do not know, Mr. Speaker, whether you have ruled upon the amendment submitted by the hon. member for Bow River (Mr. Garland). If you rule the hon. member's amendment out of order I beg to submit a motion in amendment thereto.

Mr. SPEAKER: The amendment of the hon. member for Bow River (Mr. Garland) is in the following terms:

That paragraphs 3 and 4 be struck out and that the following be subtituted therefor:

That the government undertake an independent investigation immediately to ascertain the actual cost of carrying coal from eastern and western coal exporting points to central Canada with a view to having a cost rate fixed for such carriage.

If this amendment were adopted by the House if would bind the government to undertake immediately an independent investigation. This of necessity would entail the expenditure of money by reason of the taking of evidence, the summoning of witnesses and the appointment of investigators. If such investigators were judges of the land, there is of course a provision in the statutes which would compel them to act without expense to the government. As the amendment stands, however, it would involve in any case, if adopted by the House, a charge upon the public treasury, and upon that ground it is out of order. In this connection I may cite certain authorities. First of all there is the English rule, No. 71 which is quoted in Beauchesne's Parliamentary Rules and Forms. This rule provides:

If any motion be made in the House for any aid, grant or charge upon the public revenue, whether payable out of the consolidated fund or out of money to be provided by parliament, or for any charge upon the people, the consideration and debate thereof shall not be presently entered upon, but shall be adjourned till such further day as the House shall think fit to appoint, and then it shall be referred to a committee of the whole House before a resolution or vote of the House do pass thereon.

There is a well established form of procedure which is always followed when any expenditure is involved in any of the measures that are submitted to the House. The precedents are numerous and on many occasions I have quoted the rules. I shall refer now to section 626 of Beauchesne:

This House will not proceed upon any petition, motion or bill for granting any money ,or for releasing or compounding any sum of money owing to the Crown but in a committee of the whole House.

And section 629 reads:

The recommendation of the Crown is needed for such measures as bills relating to the extension of time for the repayment of the deposit which has become liable

to forfeiture in the case of a private bill; the release or compounding of sums due to the Crown; the repeal of an exemption from an existing duty, as the burthen of the duty is thereby augmented; a proposal to repeal an existing drawback on export of sugar as it effects an increase of charge upon the importers who desired to export sugar.

This applies to any question involving an expenditude or an alienation of the funds of the Crown. There must be a resolution in due form preceded by consent of the Crown. Of course, there is an exception in cases where an abstract resolution is considered by the House. Bourinot refers to this exception in the following words:

A practice has grown up in the House of allowing the introduction of resolutions by private members, when they do not directly involve the expenditure of public money, but simply express an abstract opinion on a matter which may necessitate a future grant. As this is a question not always understood, it may be explained that such resolutions, being framed in general terms, do not bind the House to future legislation on the subject, and are merely intended to point out to the government the importance and necessity of such expenditure.

Had the amendment submitted by the hon. member for Bow River been drafted in abstract terms it would not have been open to objection upon the grounds I have stated. If, for example, the hon. member had suggested therein that it was desirable that the government should consider the advisability of undertaking an independent investigation to ascertain the actual cost of carrying coal, then, according to Bourinot and May and other authorities upon this particular point, the amendment would be admissible, in view of the fact that it would only be a pious expression of opinion, not necessarily committing the government to any public expenditures. Should the House be prepared to consent unanimously to the course I have suggested, the hon. member may be allowed to re-draft his amendment in the qualifying terms I have indicated. Such an amendment would be in order; otherwise, as the amendment is at present drafted, I shall have no other course open than to rule it out of order for the reasons I have stated.

Mr. GARLAND (Bow River): I think it is obvious, Mr. Speaker, that the intent of my amendment is to serve the purpose you have suggested. It would be of no advantage to me to have my amendment ruled out of order, and for that reason I ask the indulgence of the House to be allowed to substitute the following modified amendment, in keeping with the suggestion you have made:

That paragraphs 3 and 4 be struck out and that the following be substituted therefor:

That this House urges upon the government the desirability of undertaking an investigation to ascertain the actual cost of carrying coal from eastern and western exporting points to central Canada, with a view to having a cost rate fixed for such carriage.

I trust that the resolution in this amended form will meet with the approval of the House.

Mr. SPEAKER: The amendment as modified by the hon. member is in order and may be voted upon if the unanimous consent of the House can be obtained for its submission. The original amendment is of course out of order on the grounds I have stated. Is it the pleasure of the House that the hon. member shall have leave to submit the amendment in its present modified form?

Hon. GEORGE P. GRAHAM (Minister of Railways): I do not know that I shall object to the revised amendment, which, as you suggest, Mr. Speaker, is after all but the expression of a pious opinion. However, I desire to call the attention of the House to the fact that there is now in the hands of the Interior department, in the Mines and Minerals branch, all the information which such an investigation as is proposed could secure. At any rate, the department has the bulk of that information. But above and beyond that the Board of Railway Commissioners has in its traffic experts the best machinery on this continent for finding out that very thing. Therefore I really cannot understand why we should establish another body to make a similar investigation. If any person believes that the rates quoted by the railways for the transportation of coal from eastern and western Canada to Ontario and Quebec are not low enough he can have access to the Board of Railway Commissioners and their experts. I venture to say that the experience and ability of these men is far wider than and superior to that of any layman. The government is anxious to evolve some policy which will enable Canadians to use their own coal to the utmost, and if transportation rates stand in the way of this being done, I would submit that the Board of Railway Commissioners be asked to investigate the matter, it being the body which parliament has created for ascertaining the very information that is called for by this amendment.

Mr. CARROLL: I hope, Mr. Speaker, that I shall not be ruled out of order.

Mr. SPEAKER: No. I want the opinion of the House, because the hon. member for Bow River (Mr. Garland) could not amend his amendment without unanimous consent. Am I to construe the remarks made by the

hon. Minister of Railways and Canals as an objection to the amendment?

Mr. GRAHAM: I did not offer any objection Mr. Speaker. I would not care to leave the hon. member in a position that his amendment could not be put to the House, but I was pointing out that we already have the necessary machinery to effect the purpose which his amendment calls for.

Mr. SPEAKER: Then I take it that by unanimous consent the hon. member is allowed to substitute for his first amendment the one which I have just read?

Some hon. MEMBERS: Carried.

Mr. CARROLL: Mr. Speaker, last year, as I pointed out at the beginning of my address, an amendment was moved by myself to a similar resolution sponsored by the hon. member for North Toronto (Mr. Church). My amendment on that occasion was to refer the matter to the committee on Mines and Minerals for investigation. I am bound to say that the resolution having come on rather late in the session, the committee on Mines and Minerals did not investigate the matter as thoroughly as we should like them to have done. For example, many members of the committee wanted the chairman to ask leave to continue the investigation after the House had risen. I purpose in a few moments to move an amendment to the amendment to the effect that the resolution be referred to the committee on Mines, Forests and Waters. I shall try to show the House why it should support my amendment in preference to that of my hon. friend from Bow River. Suppose that the House tonight pass the hon. member's amendment, it would not bind the government to anything. There may or may not be any further investigation. On the contrary, if the matter goes before the committee on Mines, Forests and Waters, there will be some action taken this session, and we will be hopeful of continuing our investigation of last year with some prospect of bringing it to a conclusion.

With regard to some of the comments made by the Minister of Railways and Canals (Mr. Graham), I was one of those last year who wanted to recommend to the House that the whole question of freight rates on coal should be submitted to the Railway Commission. I am not going to say why that was not done. Many members of the committee did object that the Railway Commiscion was not in a position at that time to say what a rate on coal from Alberta to Ontario should be over newly equipped Canadian National lines. I believe that the committee will be able to make a recommendation along these lines this year, because further information will be available with regard to the equipment of the American coal carrying roads. I am saying this for the benefit of the hon. member for Bow River because I know he is deeply interested in this question and wishes to take an attitude which will be for the general benefit of Canada with respect to our coal supply. I therefore move, Mr. Speaker, as an amendment to the amendment, seconded by the hon. member for Cape Breton South and Richmond (Mr. Kyte):

> That the following words be inserted after the word "House" in the second line of the resolution: "the select standing committee on Mines, Forests and Waters be instructed to consider the question as to whether."

I may say that the hon. member who moved the resolution (Mr. Church) is willing to support this amendment. As a matter of fact, he suggested it to me during the recess.

Mr. SPEAKER: Mr. Carroll moves, seconded by Mr. Kyte:

> That the following words be inserted after the word "House" in the second line of the resolution: "the select standing committee on Mines, Forests and Waters be instructed to consider the question as to whether"

The question is on the amendment to the amendment.

Mr. A. E. ROSS (Kingston): Mr. Speaker, I think we can all support the motion of the hon. member for North Toronto Mr. Church) without any risk of disadvantage resulting to any part of Canada.

10 p.m. The amendment to the amendment we can also support. But what I cannot understand is the disposition of the member for Bow River (Mr. Garland), who having spoken of the splendid inactivity of the government in this particular, now proposes to refer the matter to them again by an amendment which means just the same as that presented to them last year. Neither can I understand his attitude towards this whole question. The people of Ontario are not so much interested in the matter of tariffs on coal as they are in the matter of supply to the people, and of benefit to our western and our eastern industries. We had an idea that this might benefit the people of the West, but the hon. member for Bow River (Mr. Garland) is perfectly indifferent to the

immediate active development of the coal industry in the West. In fact, he believes that a normal development such as is going on at the present time is quite sufficient.

Mr. GARLAND (Bow River): May I be permitted to correct the hon. member? I suggested that a normal development was preferable to an artificial one.

Mr. ROSS (Kingston): The explanation does not change the interpretation which I placed upon the hon. member's discussion of the matter. We were impressed with the points that were brought up this afternoon, that we are yearly pouring into the pockets of the people of the United States an immense amount of money that we believe could well be used in this country; it would provide employment and improve our trade balance; it would mean a great deal to the value of our dollar. I think sufficient has been said along that line. I think we have all come to the conclusion that this is a question of transportation. That is the point that touches Ontario to-day, and that is the line along which we want the government to view the case. It is not a matter of tariffs or anything else so much as transportation.

I thought it was significant that this whole discussion was introduced to-day, on the birthday of our Minister of Railways (Mr. Graham). I am sure it is the wish of every member of this House that his life may for many, many years be as sweet as the aroma of the flowers which decked his desk, and that it will lack the sting of the plant on which they blossomed. This is a matter that we can reasonably refer to him for his consideration along that line. But I was surprised that he would attempt to sidetrack this question again to-night to the Board of Railway Commissioners. We would rather the government take this matter into its own consideration and either through a special committee or through the standing committee on Mines and Minerals give an answer in a very short time. I must say that I considered that the Speaker's ruling would be given against the amendment because it spoke of an immediate investigation, and that we cannot expect from the present government. They have failed to give us an immediate answer on this question, and they are still likely to, but I would like to bring one point to their attention to-night which would perhaps induce them to use a little more expedition in their treatment of this question than they have shown in the past. The explanation as to coke given by the minister in charge of the department is not satisfactory; in fact, the Minister of Railways just came in to explode these remarks of his colleague.

[Mr. A. E. Ross.]

Peat, of course, will develop the province of Ontario, which is acting in co-operation with the department along that line; but we have been told that the supply of peat will not last for any length of time and therefore the government should take further action. The point which I wish to bring to their attention is related to one feature of the Speech from the Throne which has been discussed thoroughly and which we hear repeated almost daily in this House, and that is the matter of emigration from this country. There is no doubt that there are many, many reasons for emigration from Canada. There is the matter of unemployment, which the government has failed to deal with, and in respect of which it has failed to produce any policy of relief. There is the matter of the closing up of our industries, for which again the government has no policy. That adds to the emigration. But over and above that there is this point: We expect in this country a population which really belongs to that area of the world lying between the 40th and the 50th parallel of latitude, and I would draw your attention to this fact: The world has always been under the mastery of people who inhabit that part of the world. They are the people who can stand a rigorous climate. They are the people especially adapted to the development of Canada. It is a race in which is mixed the Pict, the Scot, the Briton, the Scandinavian, the Angles, the Saxons and the Danes; all these people have entered into the development of this present race, and we would like to have a country where that people would develop and increase, and become a great race.

In addition to the facts I have given as to the cause of emigration, there is the attitude of that race which we desire to come to our shores, and which should be the race we should get to develop this country. If they cannot secure a proper and a sufficient supply of fuel to keep them and their families warm, their eyes will naturally turn to a warmer climate. I think that is a point that the government should realize, and it should impel them to take some action in this matter. If the people I have spoken of can see in this country a proper supply of fuel for every part of this country they will come here and stay; their minds will not be directed to a southern climate, and if nothing else will impel the government to take action in this matter I think this consideration of securing and preserving the race we desire to develop in this country should appeal to them.

I am not going to take up the time of the House further. I would, in conclusion, impress upon the government that some action should

be taken immediately, and this session of the House should not be allowed to pass without some answer from the government in regard to this very important question.

Mr. JOHN EVANS (Saskatoon): I have listened with some interest to this debate on the fuel question in this country. The idea of the resolution is that a national policy in relation to our coal supply should be adopted. According to the debate the idea of a national policy seems to be one that is not so much for the safety of the people's fuel supply, but one that would keep in this country the $100,000,000 which goes annually to the United States for coal. Now in 1878 we established a National Policy which was to corral the home market for the manufacturers of Canada. That National Policy has proved a detriment to this country, and this national policy which is being advocated to-day regarding coal is not unlike its predecessor of 1878. The idea at that time was to keep the trade of this country moving east and west. This was largely accomplished as far as goods were concerned, but instead of the population going east and west they have gone south. This is due to the fact that the construction of an unnatural dam, designed to turn trade out of its natural course, was bound to result either in the dam giving way or in its overflowing. The National Policy of 1878 has proved futile as regards the trade of this country. The national policy for fuel is bound to prove equally futile if the workers of this country will have to pay an excessive price for the commodities they need. Sir, it is unreasonable to think that the coal of Alberta or Nova Scotia can be brought to Hamilton, Guelph, or other Ontario points at a price to compete with American anthracite even with a duty in its favour. To shut out American coal by a duty so that the price of coal would not be based on competition would be disastrous even if we could keep at home the hundred million dollars now spent for outside coal. It would be a much better national policy for this country to have industries established and centres of population created at the coal fields themselves. The old National Policy of 1878 has resulted in the concentration of wealth and industry in centres like Montreal and Toronto, while the Maritime provinces and the prairies, where the coal fields are, are starved because even the very earnings of agriculture are concentrated in these great centres. The same thing is true even of the small industries that at one time dotted the rural parts of Ontario, and this province itself is suffering on that account. If we wanted to tighten up the National Policy of 1878, which was designed to keep our money at home, there are many ways in which it could be done. Indeed some of the gentlemen who are advocating a national policy regarding fuel are careful only to buy Havana cigars when they wish to smoke. They would not think of buying a cigar made of Canadian tobacco, although that would be a patriotic thing to do for a Canadian who indulges in the habit of smoking. Indeed, when we examine the sources of the supplies that are used in this House we do not buy our lead pencils, pens or pen holders in this country. We send to the United States for such articles. Why is that done?

Mr. MEIGHEN: Because we have the wrong government.

Mr. GRAHAM: I think the hon. member is talking of supplies that were on hand from the last government.

Mr. EVANS: I was thinking that we have had a wrong government ever since 1878. Why turn our attention particularly to coal. If we want to carry out the National Policy of 1878 why do we everlastingly grant drawbacks on the imports of raw materials which could very well be supplied by our own country? Why, Sir, I have it on the authority of the manager of one of our large implement factories that he depends to-day on the United States for about 70 per cent of his steel. Why should that be the case after having had in Canada for so many years a tariff policy, and a system of bounties and bonuses? Perhaps some hon. gentleman to my right can answer the question. The leader of the opposition is smiling, I have no doubt he has an answer ready.

Mr. MEIGHEN: Hear, hear.

Mr. EVANS: Reverting again to the question of coal. Seven dollars a ton was mentioned as the price at which a ton of coal could be hauled from Drumheller to Guelph or Hamilton. I think that a most exorbitant price. This would represent for a train hauling 2,000 tons a sum of $14,000 which surely is an extravagant figure for hauling a train of coal from Alberta to Ontario. Here again the fact remains that the National Policy of 1878 has, by artificial means, raised the price of everything to such a high figure that we cannot profitably work our own natural resources. One of the members for Nova Scotia who spoke desires to build up the coal industry in his own province by granting a bonus. Sir, a bonus is equally as pernicious as a protective duty. We granted bonuses last year to several

industries and this policy will yet prove a boomerang to the trade of Canada. If the proposed national policy for fuel is to be based on a price to be charged for some other commodity I would warn the government to be careful against identifying themselves with it in any way whatever. If the trade of the country is allowed to follow its natural channels there will be no need for tariffs, or bonuses, or bounties. It is time the trade and commerce of Canada was released from the paternalism in which it has been enmeshed by different governments. Anything likely to divert trade from its natural channels is to be avoided at all times. It might even be disastrous to Ontario if the present system of trading in coal became disrupted. We can yet solve our coal problem by foregoing government paternalism, with its price fixing privileges of which we have had too much. The government of Canada has interfered too much in industry and commerce. A lessening of that interference rather than an increase is needed.

Mr. LOGAN: I have listened to the amendment moved by the hon. member for Bow River (Mr. Garland) and also to the amendment proposed by the hon. member for Cape Breton South and Richmond (Mr. Carroll), the latter proposing that this matter be referred to the committee on Mines and Minerals. I desire to draw the attention of the House to the fact that at the last session a very exhaustive inquiry was made into this question by that very committee. In the Journals of the House for 1923, on pages 584 and 585, is to be found the report of the committee which contains the following paragraph:

> Your committee further recommend that the government undertake an independent investigation immediately through whatever channels it deems best to ascertain the actual cost of carrying coal from eastern and western points to central Canada. We believe that our national railways should carry fuel at cost. In this instance your committee suggests that the rates quoted are not cost but much higher.

Now the Mines and Minerals committee having made the report last year that there should be an independent investigation held, I am bound to say that so far as I am concerned, I cannot vote for the motion to refer it back to that committee, but I will vote for the amendment of the hon. member for Bow River (Mr. Garland).

The Minister of Railways (Mr. Graham) who is leading the House to-night suggests that this matter be sent to the Board of Railway Commissioners. That is about the last place I want to see this matter considered. The Minister of Railways was not here this afternoon, and I do not know that what I had to say would have changed his mind or interested him, but I pointed out this afternoon that we had gone into the matter most exhaustively last year and called railway officials from all railways, freight managers and officials, and we found that they would give us a rate, but we found no official connected with the government who could tell us what was the cost. We do not want the Railway Commission to establish a rate in this matter. We are trying to point out that this is a national question. What we want first is an independent commission, if you like, or an independent committee, I care not what the name may be, to investigate the cost of carrying coal where proper equipment is provided. I think it is admitted by everybody that the question of how much it will cost to carry coal from western and eastern Canada to central Canada is practically a matter of equipment. How much will it cost to provide a solid train to carry coal from distant points to central Canada? The Virginia railway of the United States carries coal in solid trains, the same as we carry wheat in this country in solid trains. The Chesapeake and Ohio has adopted the same rule to a certain extent. Some other railroads in the United States have also adopted this manner of conveying coal. Suppose we refer this back to the Mines and Minerals committee, we get to the same point we got last year. We have no power to call the president of the Virginia Railway before the Mines and Minerals Committee of Canada. We have no power to call any official from any of these railways to give evidence before this committee, but if we could appoint a commission, even if it be a commission of only one, let it be Mr. Butler, if you like, and let him be sent to the offices of the Virginia and other railways, and I have no doubt they will have great pleasure in giving him the evidence. Mr. Butler had some of the evidence last year in a letter from the president of one of these companies to himself. But we cannot get any further with the Mines and Minerals committee, and I submit when we have secured the actual cost of equipment and on top of that the real and actual cost of carrying coal in solid trains, then it is not up to the Railway Commission of Canada to establish a rate. It is up to the government of Canada to adopt a policy in this regard as to whether we are going to make this country independent of the United States of America, so far as coal is concerned.

I therefore will have to vote for the amendment of the hon. member for Bow River (Mr. Garland), because I believe it is a step

in the right direction, and if I vote for the amendment to the amendment I only get back to where we ended last year, to a point where we cannot proceed very much further.

Mr. T. L. CHURCH (North Toronto): I may say that I cannot support the amendment to the amendment nor can I support the amendment. For the last session of parliament I was requested by the Prime Minister to accept the amendment to refer this matter to a committee on the understanding as I understood it, that they would consider the whole question and get the Railway Commission to hold a hearing. I wrote the Railway Commission asking them to hold a meeting and fix a rate. In the month of August the Hon. F. B. Carvell wrote me to make an application to the board, myself. I went to the Ontario government and to the city of Toronto, and an application is now pending by the Ontario government to the Railway Commission in regard to it. Last year the matter went to the committee on Mines and Minerals and the chairman of the committee tried to do what he could. He got his report prepared after twenty-five meetings, and that report was brought into the House three hours before parliament prorogued, and no opportunity given to members to discuss it.

Under the railway Act the commission should act of its own volition or the government can direct them to hold an inquiry and fix rates for all localities with equality of treatment for East and West and Alberta and the Maritime provinces. The people got tired of the Railway Commission's delays. I think it is not the duty of the individual to secure a supply of coal, it is the duty of the government of Canada to get a coal supply all Canadian. President Coolidge of the United States was not in the office three days before he summoned the Interstate Commerce Commission, the coal miners, and the railway barons before him, and he told them to regulate these rates. It was the duty of his government to see that it was done forthwith, and it was done. The Railway Commission has fallen down for three years, and it should now be referred to them with instructions to act. If this matter was referred to the committee tonight, we would not get a report until the dying days of the session. If it were referred to the Railway Commission they should act. They would examine witnesses, and ask the officials of the railroads to file tariffs and to go into the whole rate case east and west. I contend that the people of Canada want something done. Here we have an amendment to an amendment, and I cannot vote for either of them. The motion speaks for itself and I am for the whole motion. We will never get anything done in Canada if we adopt some policy like that— the old National Policy that made this country what it is to-day. We have a Railway Commission, but it has fallen down. The Railway Act is ignored by both railways. The president of one of the railways says he is in charge of fixing rates in this country and I would like to see the Railway Commission get busy and do something. I agree with the four clauses of this resolution. We should accept this resolution, as it is the only way we will ever get anything done in Canada, because sooner or later they will take action across the border and put an embargo on, and you will have to adopt some drastic policy. We will have another sample of them acting first as they did in the Fordney-McCumber tariff. It will be the same thing in reference to coal. There may be a strike. If we wait the coal barons will get in their work and we will get less coal every year, and by and bye we will be shut off from the supply altogether through an embargo. If this matter is referred to a committee parliament may close before we get any report. The time has passed for playing with motions and moving amendments. The time has come for this parliament to do something. It is for the government to take action and to direct the Railway Commission to act and fix a tariff. The last two or three clauses of the resolution are controversial, no doubt, but you will never get anything done unless you adopt measures such as this. Coal should be on a preferential basis. It is a food necessity. Every article of food requires the consumption of coal in preparation for the table. Electric light and every form of electric generation require the consumption of coal, and we must see to it that we are supplied with coal. The people can do without food for a meal or two, but they cannot do without fuel with a temperature of twenty or forty degrees below zero as we had the winter before last and last winter. As regards the third paragraph about duty and adequate protection, if the United States put an embargo on coal, Canada will have to depend on her own coal supplies. The first two paragraphs, I think, were pretty well agreed on last session, and Sir Henry Thornton, Sir Clifford Sifton, Dr. Camsell of the Mines department and others are all in favour of the first two clauses of the resolution. Something should be done in order to get a reasonable rate, because, I think, it has been proved that the coal can be transported at a reasonable rate without loss to the railways. I am anxious to get something done so that the country may get some benefit from the

steam roads of Canada. After our country has spent $900,000,000 in direct and indirect aid to railways, are we to say that we cannot get any of the resources out of the provinces? The government of Canada owns 20,000 miles of railway and a merchant marine, and it should be able to assist in this matter. If, as I pointed out this afternoon, a private company was able to make money by buying a government merchant vessel and shipping freight to the head of the lakes, surely the government merchant marine can be utilized for the purpose of bringing coal from Wales or the Maritime provinces to central Canada. What has been done by private enterprise surely can be done by the government merchant marine in carrying coal from the Maritime provinces. For these reasons I should like to see something done here to-night. I am not in favour of having this matter referred to a committee, in which case nothing will be done at all. If this matter is allowed to stand over, you will find that the railways will continue to do nothing as they have been doing in the last two years. I would, therefore, like to see some definite action taken tonight on this important question.

Mr. J. J. HUGHES (Kings, P.E.I.): Mr. Speaker, I am strongly opposed to the resolution, because it contains one inaccuracy and one or two implied inaccuracies. It tries to establish in the minds of the people of this country a situation that does not exist. The opening paragraph reads:

> That, in the opinion of this House, the time has arrived for Canada to have a national policy in relation to its coal supply and that no part of Canada should be left dependent on United States for such supply.

In my opinion, no part of Canada is dependent on the United States at the present time for its coal supply in the proper sense of that term. With the enormous coal fields in eastern and western Canada, we cannot be dependent on the United States for our coal supply even in central Ontario to any permanent extent, because if such a situation as that stated by the hon. member for North Toronto (Mr. Church) should arise, if the United States should be so insane as to put an embargo or an excessive export duty on coal, they would know immediately that with the immense coal supplies of this country, we could take care of ourselves. We might be temporarily inconvenienced, but the inconvenience would be only temporary.

With regard to hard coal, the situation is this, that within the last two or three years we have been getting a large quantity of anthracite coal from the British Islands, and every year the quantity is increasing. I have been informed by a man in the wholesale business in Montreal that next year one-half or, perhaps, two-thirds of the hard coal consumed in that city will come from the British Islands; that the quality will be fully equal to United States' coal, and the price lower. Therefore, we are not dependent on the United States for even our hard coal supplies.

Mr. CARROLL: I agree with the hon. gentleman to a certain extent. The whole question is one of cost; but if we are getting so much of a substitute for hard coal from the British Islands, how does it happen that we imported 400,000 tons more anthracite coal from the United States this year than we did three years ago?

Mr. HUGHES: I cannot answer that question. The country needs the coal, I suppose; the country is demanding it; but as a matter of fact, our coal importations from the British Islands are increasing very fast, and the supply there is equal to the demand, in fact, it is far greater than the supply in the United States. In addition to that, we are providing a substitute for hard coal that will take care of a large proportion of the slack coal mined in eastern and western Canada. I have been informed by some of the mine officials at Sydney that a very large proportion of slack coal is used for that purpose and, therefore, they are able to manufacture it cheaply. We have been told this afternoon by the Minister of the Interior (Mr. Stewart), who seems to understand the question fairly well, that this coke is just as good as the hard coal imported from the United States. I want to refer to that to show that, contrary to the language of this resolution, we are not dependent on the United States for our coal supply, and that we need not worry so much about any alarming conditions arising in the immediate future.

The second paragraph of the resolution reads:

> The government should immediately consider the initiation of an all British and Canadian coal supply and that such a policy is both a social and economic necessity and in the best interests of the future of Canada.

I have already answered that paragraph, I think, by my remarks in regard to the coal supplies.

The third paragraph states:

> That a duty should be placed on coal from the United States to ensure an all British supply for Canada and thus afford adequate protection to coal mined and coked under the British flag.

Of course the flag would have to be brought in. Anything originating in Toronto would have to mention the flag. The situation is

this: The duty at the present time on bituminous coal coming from the United States is 53 cents a ton. The same duty is imposed on coal from Canada entering the United States. I do not know the quantity, but I know that, as a matter of fact, the coal mines of Nova Scotia ship coal to the United States.

Mr. CARROLL: Not this year.

Mr. HUGHES: They have been doing so in the past.

Mr. MACDONALD (Pictou): When there was no duty .

Mr. HUGHES: All right. Take the duty off. There is an arrangement between the United States and Canada that the moment we take the duty off our coal, they will take it off theirs. Then there is a market with cheap water transportation right at the door almost of the eastern Canadian coal producers. We have been told by the Minister of the Interior this afternoon that the mines of Alberta are shipping coal into the United States. If you remove the duty, would that industry not increase? Would those exportations not increase? Would it not be just as well for the miners and the people of Alberta to ship their coal to the United States as it would be to send it to Ontario? Would it not be better for the people and the industries of Ontario to get their coal from across the border where they could get it cheaper? We have been told by the Minister of the Interior that the price of coal at the pit mouth, just south of the boundary line in Illinois, is $1.75 a ton. In Nova Scotia, coal cannot be mined for any figure like that at the pit mouth. It would be at least $3 or $4 a ton, or twice as much as the price of coal in Illinois. What duty could be imposed upon it that would compel the people of Ontario to buy our coal? My hon. friend from Cumberland (Mr. Logan) to-day suggested that 20 per cent would be sufficient. Twenty per cent on $1.75 or $2.00! Why, 100 per cent. would not be sufficient because there is 100 per cent of a difference in the price. No duty that the Canadian people would stand would be sufficient to take the coal of Nova Scotia into Ontario, or at least into the western part of that province. According to my view of the matter, the proper solution of this problem is to meet the people of the United States on equal terms. It would be to the advantage of Nova Scotia, to the advantage of Alberta, to the advantage of Ontario and to the advantage of the whole Dominion. That is the proper solution. I should like to have the privilege of voting against the resolution, but as the amendment disposes of it I will vote for that amendment. When the time comes, however, for a further consideration of this subject I shall certainly implement by proper action the views I hold in this matter, unless something is done to cause me to change them. I see that my hon. friend from Cumberland smiles. Well, I am not above changing my opinions, but I must have substantial reasons for doing so. I submit however that I am stating facts that cannot be controverted, and in my judgment this resolution is just a scheme to inveigle the members of the Maritime provinces and those of Alberta, if not indeed of the three western provinces, and to tie them up to a policy of protection, so that when that question comes before the House in its true form they may not be able to vote against it. That in my opinion is the object behind this resolution and I am therefore going to vote against anything of the kind.

Mr. ALEXANDRE J. DOUCET (Kent, N.B.): I wish to say just a few words before the vote is taken upon this question. The hon. member for King's, P.E.I. (Mr. Hughes) apparently is anxious to grant further concessions to the United States coal operators so that they may be enabled to further their sales of bituminous coal in Canadian territory notwithstanding the fact that our coal mining industry in the Maritime provinces and in Alberta—although I do not speak with any authority in reference to the latter province—is to-day in a very serious condition owing to competition from the American product. My hon. friend from King's cannot support the resolution, because he thinks there is a suggestion of protection in it. Protection is a bugbear to many members of this House; and because the words "national policy" are embodied in the first paragraph of the resolution, in the minds of hon. gentlemen there is at once aroused an antagonism to the motion, irrespective of its merits; as though a national policy in regard to coal had any reference to the great National Policy introduced in 1878. I say great in this instance because that policy has been shown to be so by the mere fact that it has been upheld by every great statesman since that time. The coal industry of Nova Scotia to-day stands in need of immediate relief, and as the hon. member for Cumberland has pointed out, when the question was first brought up during the present session it was introduced by the hon. mem-

ber for North Toronto (Mr. Church) supported by the member for West Toronto (Mr. Hocken); so that at all events we of the Maritime provinces cannot be charged with taking a parochial view of this question or of advancing arguments to further sectional interests in the Maritime provinces. This question, Mr. Speaker, affects the whole Dominion, and for the life of me I cannot see what advantage we are to gain by shelving the resolution or sending it to the committee on Mines and Minerals, or to the Railway Commission, or to any other special body. Speaking of immediate relief in this matter, I want to endorse the words of the hon. member for Cumberland. We want to see Canadian coal consumed on the National railways, and we want preferential rates on the railways to enable us to send our coal to the central provinces of Quebec and Ontario, the rates at the present time being impossible. The increase in coal transportation rates between 1914 and 1922 from $2.50 per ton to $4.70 as between Sydney and Montreal represents an advance of 88 per cent, which is unjustifiable. In my opinion it could stand a reduction. The rates were increased in 1918 by 40 per cent, and I venture to say that if there were a reduction of 30 per tent in the rates for the transportation of our coal the railways would suffer no serious loss.

Mr. MARTELL: Does the hon. gentleman think that the government or parliament could force the railways to carry coal at a great loss and then compel the taxpayers to make up the deficit, any more than they could force the railways to carry apples and other produce of Nova Scotia at a reduced rate?

Mr. DOUCET: I would want to have it established first that there would be any serious loss in carrying coal from Nova Scotia to central Canada at a rate 30 per cent lower than that at present charged. It has not been demonstrated that such a reduction would mean any serious loss to the railways, and until that is shown I shall maintain that a reduction of 30 per cent on existing rates would be justified. If the mines in Nova Scotia and New Brunswick—because we have coal in that province—and in Alberta could supply the 16,000,000 tons of bituminous coal which is imported to-day from the United States, providing that transportation rates from Alberta to Toronto would not exceed $6 a ton, this country would benefit to the extent of something like $96,000,000 in this respect. If it is admitted that between 70 and 75 per cent of all transportation costs remain in the country through which the trade is transported, then I submit it is an item of such magnitude as requires the immediate consideration of this House. Therefore I urge that the coal situation calls for relief without further delay, and that we can all adopt the resolution of the hon. member for North Toronto (Mr. Church).

Mr. O. R. GOULD (Assiniboia): The hon. member for Bonaventure (Mr. Marcil) this afternoon raised a question, in which I am particularly interested, with regard to the briquetting plant at Bienfait. I had intended to raise the question myself, and was very pleased with the information given by the hon. minister (Mr. Stewart). I would direct the attention of the House to an order in council which was passed in August, 1918, directing the Lignite Utilization Board to find out two things: One, if the lignite located in those coal fields could be carbonized; two, if it would be a commercial proposition. The report recently issued by the board demonstrates beyond question, I believe, that the feasibility of carbonization may be considered established. It is within the knowledge of the House that the government of Manitoba withdrew from further participation in the experimental work, leaving the government of Saskatchewan and the federal government to carry on. I should like to know if the government proposes to instruct the board, or some other body, to continue the experiments to demonstrate the commercial possibilities of briquetting lignite at Bienfait.

Mr. STEWART (Argenteuil): In reply to the hon. gentleman I have already mentioned that the experiment in carbonization of lignite at Bienfait has proven successful. The Manitoba government having withdrawn, if the experimental work is to be continued, some other arrangement will have to be made between the Saskatchewan government and ourselves.

Right Hon. ARTHUR MEIGHEN: (Leader of the Opposition): Before the House comes to a decision, Mr. Speaker, I desire to make a statement on the original motion and the various amendments that have been moved since. I do not want to be content with a mere hackneyed repetition of the assertion that the resolution itself touches an important subject. To my mind the question is so transcendently important that it demands an even more radical assertion of principle at the hands of the House than is

embodied in any of the motions now before us. It has engaged the minds of the Canadian people for some years, and in increasing degree it has, up to some time ago at least, engaged the attention of the Canadian government. The attention given to the problem has been intensified of late because of events that have transpired, events that have seemed to threaten at times our supply of fuel altogether, and as well because of economic tendencies which have made all the more aggravated the suffering we endure because of the withdrawal from domestic circulation of so much of our money for the purchase of American coal.

I deplore for several reasons the continued purchase of American coal in the quantities which we have been importing. First of all, it surely is axiomatic to say that government policy should always tend to minimize to the utmost the import requirements of a country relative to its consumption. I know there are some who will still argue the contrary, but really it staggers my comprehension how any one can possibly take another view. And I observe that no government ever takes any other view. I venture to say that if a new government should be formed of any party now in this House, however incipient, it would not take another view when it faced the responsibilities of power. To argue that it is not at all to our injury that we should send $100,000,000 to another country for coal instead of producing it here because we have to buy something from that other country or we cannot sell to it—how impotent is the contention! Cannot they pay us? Have they not three-quarters of the gold of the world? What is to hinder them paying us? As long as we continue in the course we are now pursuing, we are going to exhibit a limping, halting gait—simply for the reason that we are leaving others to do what it is within our power to do ourselves. One hundred million dollars, if spent within Canada, would not only be used within its own limits for the production of coal, but because of the people being here to use it the money would be turned over and over, and benefits multiplied would accrue therefrom.

But besides—and this is what I want to emphasize more because it has not been much referred to this afternoon—this country is not in a desirable, I had almost said dignified, position, in being dependent in the sense we are now upon the United States for our fuel supply. We are not, it is true, wholly dependent. If the worst come to the worst, we could at a great cost, probably at great sacrifice to our trade, entirely supply ourselves. We have the material, we have the transportation. But under the conditions of to-day the provision of the coal for ourselves from our own resources would be at such a cost that probably the productive energies of our country would be severely strained To a great degree at least we would suffer. We have not yet advanced to the position where we could meet an emergency
11 p.m. of that kind without certain and very grave anxiety. This situation I said was undesirable. It is unenviable. It is true in our relations with the United States we have got along without recourse to anything in the nature of force for over a century. For the most part we have got along without recourse to anything in the way of threatening pressure. We have got along better, I think it may be said, than any two nations wholly distinct ever got along in the world's history before. Nevertheless, there have always been, and perhaps never so many as now, differences between us. There have been matters of contention, there have been matters in the settlement of which that nation won which had the heaviest lever to wield against the other. That those questions exist to-day no one with any knowledge of Canadian affairs disputes. In fact, in my judgment, and at the moment I refer only to the debate of last week, the necessity of being immediately independent in vital requirements of the United States never was so great, never was so imminent as it is at this very hour. I do not like to be in a position with respect to the Chicago drainage canal or any other question where I am liable to be answered, by implication. if not expressly: Unless you yield, look out for your coal. If that answer lies in the mouths of American statesmen, whether they express it or not, it is going to be reflected in the results of any discussion we have on the Chicago drainage canal or any other subject of controversy. Consequently, this country owes it to itself to be in a position that no matter what step the United States may take, no matter what course they may point out to us as open to them, we are able to take care of ourselves in all eventualities, and when we are in such position we will get a better settlement of the various matters that from time to time stand between us.

I said that we could even now meet an emergency, but at great cost. If we were denied American coal, though certainly American coal interests would be very strongly against it, if we were for any reason in that position, we could bring coal from Alberta, we could bring coal from Nova Scotia; but

with the facilities we have and with the instruments for its use in this province, particularly in our manufacturing centres, we undoubtedly would imperil at least some of our industries in competition with other corresponding industries, and perhaps would put many of them out of business entirely.

Thus we have got to the point where it behooves us to put ourselves in a position that no matter what may come, the loss to us by the change would not be so great as to be serious. There are several ways by which this can be done. I am not in a position to argue which is the best, but I think there are more than one which could be applied and which would be better than the present position of affairs. Some of them have been suggested this afternoon. One or two are suggested in the main motion. There is nothing on earth suggested in either amendment; but one or two are suggested in the main motion.

It has been said that we could develop our own resources by an increase in the protective duty, a duty that has remained very low for many years, that some have argued should be higher, that some on the contrary have argued should be wiped out altogether. I am not prepared myself to say, I do not claim to be in a position to say, that we could substantially increase the duty that now applies and not raise productive costs in our central provinces to a degree that would make it impossible for them to compete and hold their position in the industrial world. It might be possible; it might not. However, that is one route that is open to us, and a route that should be explored.

Another is suggested in the last clause of the amendment, that we should through this parliament legislate placing the transportation of coal in a special category and compelling our railways to levy very low rates in accordance with that category. I do not like this principle. I think it is open to the objections urged by the Minister of Railways (Mr. Graham) this evening. I do not see any consistency, any common sense in appointing a Railway Commission with specific powers, with specific duties, and then after appointing it and empowering it to exercise such duties immediately stepping in and exercising some of these duties ourselves. If we intend to perform this function, for goodness sake let us remove the duplication and wipe the Railway Commission off the slate.

But there are still other methods. We might, for example, leave the Railway Commission in full possession of its powers, leave it and it alone commissioned to say what the right and fair rate is having regard to the railways, having regard to the producer, and having regard to the consumer; and ourselves, while the rate remained as fixed by the commission, contribute from the national treasury a share of that rate, or perhaps in co-operation with certain provinces so contribute. This is another method well worthy of exploration.

There is a fourth that has come from the hon. member for South Cape Breton (Mr. Carroll), namely, that some system of bounty should be devised especially applicable to coking, and consequently, as he says only for the benefit of Nova Scotia coal. Possibly some corresponding help might be given to coal from the other direction. At any rate, while I do not like bounties in general, it is something worthy of consideration too. I would be ready to consider almost any course to get ourselves out of the position we are in to-day, any course save that suggested by the hon. member for King's (Mr. Hughes), which would undoubtedly and inevitably have the effect of only getting us farther in.

The amendment to the amendment is first before us. This motion suggests to the House that we refer to the committee on Mines and Minerals to consider whether or not the time has arrived for Canada to have a national policy in relation to coal. Think of the position of this House, serious, grown-up men, referring at this stage of the country's history to the Mines and Minerals committee to decide whether we should have a national policy in relation to coal! Have we not decided it over and over again? Are we not all agreed on the necessity? Is it not our duty, led by the government of the day to propound that policy and propound it now? Has not this very same subject, as the hon. member for Cumberland (Mr. Logan) says been before that very same committee just last session, and did not the committee deal with it and report to this House? Why insult the committee by sending the same subject back again? As a matter of fact, is not this amendment just the old habit of shunting the question out of parliament? Is it not just another way of saying "forget it", until perhaps next session we will come again and have upon it another academic discussion? For that reason I oppose the amendment to the amendment.

The hon. member for Bow River (Mr. Garland) moves the main amendment, which adopts the first two clauses of the resolution, but which afterwards calls upon the government to investigate as to what would be the proper rates on coal to be applied by our

railways. Exactly for the reasons stated by the Minister of Railways I oppose this amendment. What is the Railway Commission for? If we are better than the Railway Commission, had not we better get rid of the commission? It costs us hundreds of thousands a year. Why spend hundreds of thousands and then do the work ourselves? I do not need to go farther. To adopt the amendment is simply to instal a precedent which will land us in endless trouble, indeed, it will land us back in the position we were in twenty-three years ago.

Then I come to the main motion. The main motion in its first two paragraphs is to my mind unobjectionable. It places up to the government squarely the necessity, the imperative immediate necessity of bringing down to parliament a national coal policy to achieve the object set out in those two clauses, and to do it at this session.

The second two clauses though are different. I have already alluded to the third, namely, that which calls now for an immediate increase in the coal duty. Even if I were of opinion that this increase should be made I do not think it would be a wise thing for parliament, in advance of the budget, to declare now that it should be done. It would simply be repeating the grave error which the government made in the Speech from the Throne, an error, which I know, in the silence of their tents in the quiet of their bed chambers they have since in tears repented; it would only repeat that error to the disturbance of Canadian industry. I am convinced that we have not the information as to whether it could be done even were this the time to do it. Consequently I could not support the third clause.

May I diverge for a moment to make a reference to some words spoken by the hon. member for Saskatoon (Mr. Evans). He, of course, is an ardent free trader in all things, and he has persuaded me that he is absolutely honest in his convictions, that his mind is thoroughly true. Nay, sometimes I think if we had caught him young enough we could have led him into saner and more practical policies. Nevertheless, as a free trader, he wants to know why we do not apply our protective policies more generally if we believe in them at all. "Why is it", he asks "that you take your duties off, or make them very light, upon certain raw materials which we can produce in this country instead of applying really protective duties thereby encouraging the production of those materials within our own domain." There is much in his contention but sometimes even the best of policies have to yield to exigency. I will tell him just what the exigency was which brought about this condition and which now maintains it even at the hands of this administration. Western Canada, not receiving in the same degree that the rest of the Dominion does, the benefits of a protective policy, not being as yet a highly developed industrial country, has insistently demanded all through these years that the special instruments they use themselves should enjoy a specially low rate of duty. Eastern Canada, in fact the whole Dominion, in honest endeavour to meet the views of our friends from the West brought down step by step the duties on agricultural implements, and brought them down so low that in order to enable these implements to be manufactured at all concessions were given to the producers of such implements in the way of the importations of these very articles.

Mr. EVANS: For the sake of the western farmer?

Mr. MEIGHEN: For the sake of the western farmer, and to the applause of the western farmer at the time.

Mr. EVANS: Never.

Mr. MEIGHEN: My hon. friend was not a member of this House at that time. He may think it was not for the benefit of the western farmer but that was the intention. The production of the goods was supposed to be made somewhat cheaper on that account. Therefore this concession was made to members from the West, made in response to western demand. It is not because we have any less faith in the general principle as the right policy for our country; it is merely because in the application of that principle we want to meet, so far as we can, the desire of special sections of the Dominion who believe they are not benefited in the average degree thereby.

Now in respect of the contention that we ought as a means to the goal to wipe out our tariff duties altogther I certainly could not agree with this even though it has the authority of the hon. member from Prince Edward Island (Mr. Hughes) or was it some one else? That hon. gentleman declared protection was a word which had a baneful sound in this assembly, and he said it to the applause of a number of hon. gentlemen to my left. But I noticed that across the way there was a very distinct cleavage in the applause given. Did the hon. gentleman notice that not a member of the government pounded his desk? Did he notice that even the Minister of Agriculture was silent? The Minister of the Interior received the utterance with cold dis-

may; and as for the hon. member for Pictou (Mr. Macdonald) he had a moving picture right before his eyes of the duty being wiped off coal. The hon. member who made the suggestion had to be satisfied with the vociferous pounding of the hon. member for Hants (Mr. Martell) and a few others scattered in the rear benches, with the notable exception of the hon. member for Brantford (Mr. Raymond). But I venture to say that if in the fulness of time even the hon. member for Hants comes within the serene circle of the government he too will be dumb as the oysters which cling to the shores of his constituency, There will not even be a breath from him in protest against protection. Oh! I have often wished that hon. gentlemen to my left, who now look across longingly to hon. gentlemen opposite for encouragement whenever they express their sentiments for free or freer trade, had been here just three or four sessions ago. Then they would have heard not a single note of dissent. All that would have ravished their ears would have been resounding applause—there would have been cheers from hon. gentlemen opposite and from the whole Liberal party in this House.

An hon. MEMBER: Why the change?

Mr. MEIGHEN: Why the change? They are saddled with responsibility. To-day they are in the seats of power; and from some observations I have heard from some hon. gentlemen to my left I am disposed to suggest that if when a change comes—

An hon. MEMBER: Heaven forbid.

Mr. MEIGHEN: Heaven will not need to forbid, the people will look after that. I say when the time comes that they are stationed on the right side of this chamber there will be the same change in their demeanour, the same subsidence of their enthusiasm which we have noticed on the part of those hon. gentlemen who sit over there to-night.

The solution to this question, is not to be found along the route of a free entry of bituminous coal into Canada, not so long as representatives of the Maritime provinces remain in the administration. At this time I would be in favour of the striking out of the last two paragraphs of the main motion, and supporting the paragraphs that remain but it is not open to me now so to move. The House will first vote upon this shelving, shifting, postponing, forgetting proposition of the hon. member (Mr. Carroll) and for my part I shall vote with very great pleasure against it.

The House divided on the amendment to the amendment. (Mr. Carroll.)

YEAS

Messrs.

Archambault,
Baldwin,
Béland,
Benoit,
Boivin,
Bouchard,
Boucher,
Cahill,
Cardin,
Carroll,
Casgrain,
Chevrier,
Copp,
d'Anjou,
Déchêne,
Delisle,
Denis (St. Denis),
Desaulniers,
Descoteaux,
Deslauriers,
Desrochers,
Fafard,
Finn,
Fontaine,
Forke,
Forrester,
Fortier,
Fournier,
Gauvreau,
Gendron,
Gervais,
Gordon,
Graham,
Hammell,
Hatfield,
Healy,
Hughes,
Hunt,
Irvine,
Kelly,
King (Kootenay),
King, Mackenzie (York),
Lanctôt,
Lapierre,
Lapointe,
Lovett,
Macdonald (Pictou),
MacLean (Prince, P.E.I.),
McBride,
McGiverin,
McIsaac,
McKay,
McMaster,
McMurray,
Marcile (Bagot),
Martell,
Mercier,
Michaud,
Motherwell,
Munro,
Murdock,
Ouimet,
Parent,
Pelletier,
Prevost,
Putnam,
Rankin,
Raymond,
Reed,
Rhéaume,
Rinfret,
Roberge,
Robichaud,
Robinson,
St. Père,
Savard,
Séguin,
Sinclair (Queens, P.E.I.),
Stewart (Argenteuil),
Stork,
Tobin,
Woodsworth,—82.

NAYS

Messrs.

Anderson,
Bancroft,
Beaubien,
Bird,
Black (Huron),
Black (Yukon),
Bowen,
Brethen,
Brown,
Caldwell,
Campbell,
Carmichael,
Chaplin,
Charters,
Church,
Clark,
Coote,
Davies,
Doucet,
Drummond,
Elliott (Dundas),
Evans,
Fansher,
Findlay,
Gardiner,
Garland (Bow River),
Garland (Carleton),
Good,
Gould,
Grimmer,
Halbert,
Hodgins,
Hoey,
Hubbs,
Humphrey,
Jelliff,
Johnston,
Jones,
Kellner,
Kennedy (Edmonton),
Kennedy (Glengarry & Stormont),
Kennedy (Port Arthur & Kenora),
King (Huron),
Knox,
Leader,
Lewis,
Logan,
Lovie,
Lucas,
MacKelvie,
MacLaren,
McConica,
McDonald (Timiskaming),
McKillop,
McTaggart,
Meighen,
Milne,
Neill,

Porter,	Stansell,
Preston,	Steedsman,
Pritchard,	Stewart (Humboldt),
Ross (Kingston),	Stewart (Leeds),
Ross (Simcoe),	Thompson,
Ryckman,	Thurston,
Sales,	Tolmie,
Senn,	Wallace,
Sexsmith,	Ward,
Shaw,	Warner,
Speakman,	White,
Spencer,	Woods,—82.

Mr. SPEAKER: I understand the hon. member for Brandon (Mr. Forke) has an explanation to give about his vote.

An hon. MEMBER: He cannot do it.

Mr. SPEAKER: Do I understand his vote has been cast according to his wish?

Mr. FORKE: No, Mr. Speaker.

Mr. SPEAKER: The vote having been recorded cannot be changed now. His explanation will appear in Hansard and will serve his purpose with his electors. He meant to vote the other way, but by mistake he voted for the amendment to the amendment.

The vote being a tie the Speaker is called upon to cast a vote.

Mr. MEIGHEN: Before you do that, Mr. Speaker, I believe the senior member for Halifax (Mr. Finn) is recorded in favour of the amendment to the amendment, and my information is he came into the chamber after the question was put.

Mr. BELAND: It is not the time to discuss that now.

Mr. SPEAKER: Yes, it is the time.

Mr. BELAND: The objection must be taken before the vote is recorded.

Mr. SPEAKER: I am informed the hon. gentleman came in when the vote was being taken. If that is the case his vote does not count. I would ask the hon. the senior member for Halifax (Mr. Finn) if he heard the question put.

Mr. FINN: I was behind the curtain, and I heard the question put.

Mr. SPEAKER: The rule is that each member should be in his seat. The hon. gentleman did not, from a parliamentary point of view, hear the question put . Therefore the vote of the hon. gentleman should be eliminated from the division.

Mr. MARTELL: The hon. member for Strathcona (Mr. Warner) came in while the vote was being taken.

Mr. SPEAKER: Of course we have to trust the honour of the members. I would ask the hon. member for Strathcona if he was in the House and if he heard the question put.

Mr. WARNER: Yes, I was in the House and I heard the question put.

Mr. SPEAKER: Was the hon. gentleman in his seat when the question was put?

Mr. WARNER: I would not be sure. I might have been over there. I do not remember.

Mr. SPEAKER: I declare the amendment to the amendment lost.

[The division list as revised is as follows:

YEAS

Messrs.

Archambault,	Lanctôt,
Baldwin,	Lapierre,
Béland,	Lapointe,
Benoit,	Lovett,
Boivin,	Macdonald (Pictou),
Bouchard,	MacLean (Prince, P.E.I.)
Boucher,	McBride,
Cahill,	McGiverin,
Cardin,	McIsaac,
Carroll,	McKay,
Casgrain,	McMaster,
Chevrier,	McMurray,
Copp,	Marcile (Bagot),
d'Anjou,	Martell,
Déchêne,	Mercier,
Delisle,	Michaud,
Denis (St. Denis),	Motherwell,
Desaulniers,	Munro,
Descoteaux,	Murdock,
Deslauriers,	Ouimet,
Desrochers,	Parent,
Fafard,	Pelletier,
Fontaine,	Prevost,
Forke,	Putnam,
Forrester,	Rankin,
Fortier,	Raymond,
Fournier,	Reed,
Gauvreau,	Rhéaume,
Gendron,	Rinfret,
Gervais,	Roberge,
Gordon,	Robichaud,
Graham,	Robinson,
Hammell,	St. Père,
Hatfield,	Savard,
Healy,	Séguin,
Hughes,	Sinclair (Queens, P.E.I.),
Hunt,	Stewart (Argenteuil),
Irvine,	Stork,
Kelly,	Tobin,
King (Kootenay),	Woodsworth,—81.
King, Mackenzie (York),	

NAYS

Messrs.

Anderson,	Bowen,
Bancroft,	Brethen,
Beaubien,	Brown,
Bird,	Caldwell,
Black (Huron),	Campbell,
Black (Yukon),	Carmichael,

Chaplin,
Charters,
Church,
Clark,
Coote,
Davies,
Doucet,
Drummond,
Elliott (Dundas),
Evans,
Fansher,
Findlay,
Gardiner,
Garland (Bow River),
Garland (Carleton),
Good,
Gould,
Grimmer,
Halbert,
Hodgins,
Hoey,
Hubbs,
Humphrey,
Jelliff,
Johnston,
Jones,
Kellner,
Kennedy (Edmonton),
Kennedy (Glengarry & Stormont),
Kennedy (Port Arthur & Kenora),
King (Huron),
Knox,
Leader,
Lewis,
Logan,
Lovie,
Lucas,
MacKelvie,
MacLaren,
McConica,
McDonald (Timiskaming),
McKillop,
McTaggart,
Meighen,
Milne,
Neill,
Porter,
Preston,
Pritchard,
Ross (Kingston),
Ross (Simcoe),
Ryckman,
Sales,
Senn,
Sexsmith,
Shaw,
Speakman,
Spencer,
Stansell,
Steedsman,
Stewart (Humboldt),
Stewart (Leeds),
Thompson,
Thurston,
Tolmie,
Wallace,
Ward,
Warner,
White
Woods.—82.

PAIRS

Messrs.

(The list of Pairs as furnished by the Chief Whips.)

Murphy,
Power,
McKinnon,
Low,
Duff,
Kay,
Malcolm,
Lavigueur,
Cannon,
Walsh,
Laflamme,
Kyte,
Clifford,
Fielding,
Robb,
Mitchell,
Bourassa,
Chisholm,
Robitaille,
Morin,
Papineau,
Marcil (Bonaventure),
Ethier,
Bureau,
Binette,
Simpson,
Mewburn,
McQuarrie,
Morrison,
Dickie,
Wilson,
Duncan,
McLean,
Manion,
Drayton,
Guthrie,
Harris,
Stewart (Hamilton),
Boys,
Stevens,
Black (Halifax),
Bristol,
Hanson,
Sheard,
Sutherland,
Maybee,
Spence,
Millar,
Lesueur,
Ladner.]

The House divided on the amendment as amended (Mr. Garland, Bow River) which was negatived on the following division:

YEAS

Messrs.

Bancroft,
Beaubien,
Bird,
Black (Huron),
Brown,
Caldwell,
Campbell,
Carmichael,
Coote,
Davies,
Drummond,
Elliott (Dundas),
Findlay,
Forke,
Gardiner,
Garland (Bow River),
Good,
Gould,
Halbert,
Hoey,
Hughes,
Humphrey,
Johnston,
Kellner,
Kennedy (Edmonton),
Kennedy (Glengarry & Stormont),
Kennedy (Port Arthur & Kenora),
King (Huron),
Knox,
Leader,
Lewis,
Logan,
Lovie,
Lucas,
McConica,
McDonald (Timiskaming),
Milne,
Neill,
Pritchard,
Ross (Simcoe),
Sales,
Sexsmith,
Shaw,
Speakman,
Spencer,
Steedsman,
Stewart (Humboldt),
Thurston,
Wallace,
Ward,
Warner,
Woods.—52.

NAYS

Messrs.

Anderson,
Archambault,
Baldwin,
Béland,
Benoit,
Black (Yukon),
Boivin,
Bouchard,
Boucher,
Bowen,
Brethen,
Cahill,
Cardin,
Carroll,
Casgrain,
Chaplin,
Charters,
Chevrier,
Church,
Clark,
Copp,
d'Anjou,
Déchêne,
Delisle,
Denis (St.Denis),
Desaulniers,
Descoteaux,
Deslauriers,
Desrochers,
Doucet,
Evans,
Fafard,
Fansher,
Finn,
Fontaine,
Forrester,
Fortier,
Fournier,
Garland (Carleton),
Gauvreau,
Gendron,
Gervais,
Gordon,
Graham,
Grimmer,
Hammell,
Hatfield,
Healy,
Hodgins,
Hubbs,
Hunt,
Irvine,
Jelliff,
Jones,
Kelly,
King (Kootenay),
King, Mackenzie (York),
Lanctôt,
Lapierre,
Lapointe,
Lovett,
Macdonald (Pictou),
MacKelvie,
MacLaren,
MacLean (Pince, P.E.I.),
McBride,
McGiverin,
McIsaac,
McKay,
McKillop,
McMaster,
McMurray,
McTaggart,
Marcile (Bagot),
Martell,
Meighen,
Mercier,
Michaud,
Motherwell,
Munro,
Murdock,
Ouimet,
Parent,
Pelletier,
Porter,
Preston,
Prevost,
Putnam,
Rankin,
Raymond,
Reed,
Rhéaume,
Rinfret,
Roberge,
Robichaud,
Robinson.
Ross (Kingston),
Ryckman,
St. Père,
Savard,

Séguin,	Stork,
Senn,	Thompson,
Sinclair (Queens, P.E.I.),	Tobin,
Stansell,	Tolmie,
Stewart (Argenteuil),	White,
Stewart (Leeds),	Woodsworth.—112.

Mr. CAHILL: I move, seconded by the hon. member for Témiscouata (Mr. Gauvreau), that the resolution be amended by striking out the last two clauses.

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

Some hon. MEMBERS: Aye.

Some hon. MEMBERS: Nay.

Mr. SPEAKER: I think the ayes have it; I declare the amendment carried.

Main motion as amended agreed to.

On motion of Mr. Mackenzie King, the House adjourned at 12.10 a.m. (Tuesday).

Tuesday, April 1, 1924

The House met at three o'clock.

PARLIAMENTARY RESTAURANT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That Messrs. Anderson, Bancroft, Gordon, Logan, Papineau, Rinfret, Vien, Wallace and Wilson be appointed to assist His Honour the Speaker in the direction of the restaurant as far as the interests of the Commons are concerned and to act as members of the joint committee on both Houses on the restaurant.

And that a message be sent to the Senate to acquaint their Honours therewith.

Motion agreed to.

REPORTS AND PAPERS

Correspondence exchanged between the government of Canada and the government of the United States regarding the carrying out of the joint international report relating to the St. Lawrence waterways.—Right Hon. Mr. Mackenzie King.

Copy of correspondence, telegrams, etc., exchanged between the government of Canada, or any of its members, or with any corporations or individuals, since the 1st January, 1922, relating to the St. Lawrence waterway route and the construction of dams on the St. Lawrence for the development of certain waterpowers.—Right Hon. Mr. Mackenzie King.

Copy of an order in council respecting the revision of the salary of civil servants.—Right Hon. Mr. Mackenzie King.

UNITED CHURCH OF CANADA

Mr. G. C. WILSON (Wentworth): I beg to present a petition from Rev. Donald T. L. McKenoll, Rev. Thos. Wardlaw Taylor, Professor Albert T. Laing, Messrs. James Scott, and James Andrew Milne, Rev. James Wilson, and Messrs. Thos. McMillan and Stewart C. Parker of the city of Toronto in opposition to the bill to incorporate the United Church of Canada.

EXPORT OF PULPWOOD

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): On Friday of last week I called the attention of the government to an error in the answer to a question, which question asked the statutory authority for the order in council exempting existing contracts for the exportation of pulpwood for ten years. I asked the government to look into the matter and provide a correct answer. Has the government the answer yet?

Mr. MACKENZIE KING: I gave my right hon. friend an answer.

Mr. MEIGHEN: There was no answer given. If the leader of the government will look up his remarks he will find that he gave no answer.

Mr. MACKENZIE KING: If I gave no answer I do not know how I shall be able to find my remarks.

Mr. MEIGHEN: The leader of the government expressed some words but they did not constitute an answer.

EXPORTATION OF ELECTRIC POWER

On the Orders of the Day:

Mr. H. L. DESLAURIERS (St. Mary) (Translation): I desire, Mr. Speaker, to draw the attention of the House to an editorial which appeared in the Gazette of the 31st March, regarding a proposal to form a company, to be known as "Super-Power Development": the following is the extract:

First news of this super-power project was revealed in Wall Street to-day, when it was learned that a banking syndicate headed by Harris, Forbes and Company and Bonbright and Company is negotiating to underwrite about $50,000,000 of the cost.

The editorial ends with:

The system will be large enough to supply power and lighting to towns and industries for miles on either side of the main line, which will have a probable capacity of 220,000 volts.

The final difficulty, which is now being worked out, is contained in the Canadian laws. They provide that any franchise granted for the exportation of power from the country may be terminated upon one year's notice. It is expected that a method of modifying the obstacle will be found shortly.

It is stated that the development plans have been carried near to completion, because the bankers and officials feel certain of definite assurance from Canada

that the laws will be changed to eliminate any interference with the project. The company will, it is expected, ask for a perpetual franchise.

Mr. SPEAKER: I would like to ask the hon. member to kindly put his question to the government as briefly as possible.

Mr. DESLAURIERS (Translation): I wish to inquire if the government has the intention of amending the present act regarding the exportation of electricity to other countries and if there is any truth in this rumour.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): In the absence of the Minister of Trade and Commerce (Mr. Low) I may say the matter of in any way modifying the statute in reference to the export of power has not been considered by the government.

WHEAT BOARD—SURPLUS FUNDS

On the Orders of the Day.

Mr. J. L. BROWN (Lisgar): With reference to the amount advanced to the western provinces some years ago for relief in the matter of seed grain, and against which the government is holding the money that is in their hands, the surplus from the Wheat Board, can the minister tell me how much, if any, of those sums advanced are properly chargeable against Manitoba?

Hon. J. A. ROBB (Acting Minister of Finance): I just happened to have under my hand and was reading at the moment—I did not know my hon. friend was going to ask the question—a memorandum from the Department of Finance, dated February 14, 1924, which reads—

Seed grain in relief account, principal outstanding on March 31st, 1923—

This is including interest.

Manitoba	$ 140,737 00
Saskatchewan	3,555,283 00
Alberta	1,567,791 00
British Columbia	197 00

I have left out the odd cents.

PACIFIC HALIBUT FISHERY

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of Bill 21, to amend the Northern Pacific Halibut Fishery Protection Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Nationals or inhabitants of Canada or United States and ships registered therein or belonging to them, liable to seizure.

[Mr. Deslauriers.]

Mr. STEVENS: I hope the minister will give us a complete explanation of the reason for and the need for this legislation.

Mr. CARDIN: As I have already explained, the amendments relate to section 6 of the act, which was passed last year. We desire to amend section 6 by adding after the words "in prohibited waters" the words "during the close season". As the section was enacted last year it might be argued that fishing for halibut was prohibited all the year. The words "during the close season" were omitted. This is the amendment we intend to make in section 6. The other amendment is in section 9. We intend to repeal this section, because it is a mere repetition of section 5.

Mr. MEIGHEN: The bill is just one instalment of corrections of the government's errors of last session.

Mr. STEVENS: I really have not had time to consider it fully. There is a reference regarding vessels seized by Canadian customs officers. The last section that the minister mentions referred to section 9 of the act. What was the reason for the repealing of that clause?

Mr. CARDIN: This clause reads as follows:

Every ship, vessel or boat which is foreign or not navigated according to the laws of the United Kingdom or of Canada may be seized.

If my hon. friend will refer to section 5 he will find that it says:

Every ship, vessel, or boat, including all furniture, apparel, appliances, gear, tackle and rigging thereof, which is in any manner operated or used for the purpose of committing an offence against the act or for aiding or facilitating the commission of any such offence may be seized.

So that my hon. friend will see that clause 9 is almost a repetition of what is said in clause 5; and in addition to that I may add that clause 9 may be taken as stating that only foreign vessels are liable to be seized according to the law, because it says that "every ship, vessel or boat which is foreign may be seized."

Mr. MEIGHEN: I understand that the minister says that clause 9 as it stands is virtually a repetition of clause 5, but he says that clause 9 contains in addition the words "which is foreign." Then clause 5 does not contain these words I presume?

Mr. CARDIN: Yes, but the words "every ship" include foreign vessels. I understand

the words "every ship" cover what is stated in clause 9.

Mr. MEIGHEN: It is intended to apply to every ship, foreign and domestic. That is so described in this clause. Does clause 5 contain the words "which is foreign?"

Mr. CARDIN: No.

Mr. MEIGHEN: In respect to clause 6 what in the world has the government been doing all this past year? The way the act reads up to now, any ship that did what is stated here either in close season or open season would be liable to seizure. So that, I presume, all this year while the act was in force no ship operated at all.

Mr. CARDIN: The act is not in force.

Mr. MEIGHEN: Oh, I understand. This still awaits the action of the Senate of the United States?

Mr. CARDIN: Yes.

Mr. MEIGHEN: It is fortunate the United States Senate provided the government with time to repair its error.

Mr. CARDIN: There is always time to repair errors.

Section agreed to.

Bill reported.

Mr. CARDIN moved the third reading of the bill.

Mr. MEIGHEN: I do not think the practice should become a habit, of putting bills through the second reading and the third reading on the same day. I do not think this is an important bill at all, but there is no need of rushing it.

Mr. SPEAKER: Stands.

JUDGES' ACT AMENDMENT—YUKON

Right Hon. W. L. MACKENZIE KING (Prime Minister) (for the Minister of Justice) moved the second reading of Bill No. 25 to amend the Judges' Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—salary of judge of Territorial Court of Yukon Territory increased.

Mr. HANSON: What is the present salary of the judge of the Yukon Territorial Court? Who is the present incumbent and how long has he occupied the position?

Mr. LAPOINTE: I presume my hon. friend was absent from the House when all the explanations were given on the resolution. The present salary is $7,000. It is proposed to increase it to $9,000, which is the salary received by all the other high court judges in Canada. As was explained the other day, the judge of the Yukon Territorial Court is receiving a living allowance of $5,000. This will be reduced by $2,000 so that really this will not mean any increase in expenditure.

Mr. HANSON: It means an increase in retiring allowance.

Mr. LAPOINTE: By $1,000.

Section agreed to.

Bill reported.

Mr. LAPOINTE moved the third reading of the bill.

Mr. MACKENZIE KING: I might explain to my right hon. friend (Mr. Meighen) that the government's only object in seeking the third readings of these bills is to get legislation across to the Senate which is now sitting. If the third reading is deferred there will be another day's delay in sending the bill to the Senate.

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

CANADIAN NATIONAL RAILWAYS

BILLS PROPOSED TO AUTHORIZE THE CONSTRUCTION OF BRANCH LINES

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to bring in a measure to provide for the construction of a Canadian National Railway line from Kingsclear, a point on the Saint John and Quebec Railway in the province of New Brunswick, in a generally southwesterly direction, to a point on the St. Croix river, opposite Vanceboro, in the state of Maine; estimated mileage including existing grading, 41 miles; estimated cost, $2,123,000.

He said: Mr. Speaker, I do not know whether I am at liberty to discuss the details of the bill that will be based upon this resolution, but I think some at least, of the objections raised last session to the form in which this legislation was introduced, will be explained in the bill. I would prefer to defer that explanation until we have the resolutions in the form of various bills. I might point out that this resolution is for the purpose of the Canadian National Railways having a connection with an American line for traffic between the Maritime provinces and the United

States, particularly the New England states. At the present time that connection is somewhat faulty. This resolution asks for a line, forty-one miles in length. As a matter of fact, possibly that may be obviated by an arrangement with the Canadian Pacific Railway, by which arrangement the construction will be but fourteen miles in length. The resolution asks for power to construct the forty-one miles, if necessary. The estimated cost is $2,123,000. If it is found necessary to construct the whole forty-one miles, it is proposed to grade the distance in 1924 and to lay the track in 1925.

Mr. HERBERT MARLER (St. Lawrence-St. George): Mr. Speaker, before you leave the chair, there are certain observations that I would like to bring to your attention and to the attention of the House, relevant to the various resolutions now standing in the name of the Minister of Railways and Canals (Mr. Graham). These resolutions to be brought down by the minister in question contemplate the construction of twenty-six lines of railway aggregating in the neighbourhood of 1,000 miles, and costing approximately or slightly over $28,000,000. It, therefore, seems to me to go without saying that the matter is one of great moment to the country, one that should not be allowed to pass this House without the most careful scrutiny and without our taking into consideration all the facts relating to these proposals which are to be brought before this legislative body.

It is not my intention, in the course of these remarks, to direct any particular motive towards any particular branch line. I desire to discuss the question of branch lines to be brought down in these resolutions in a more or less general manner; but I wish to point out to the House the large amount involved in these undertakings, and also to say that any undertaking which is not absolutely essential for the welfare of the country generally, or actually and vitally necessary for any particular part of our population, should certainly in every respect be eliminated. The government should have in mind in proposing these various resolutions one consideration only, namely, the vital necessity to the country of any expenditures involved, before a single dollar is expended on these undertakings. As I have stated, these proposals entail an expenditure of $28,000,000, and for any of us in this House to say that we can spend twenty-eight million dollars, or even twenty-eight million cents, with a free hand in view of the condition of our finances

at the present time is the height of absurdity. As a matter of fact, unless we get down to the lowest possible expenditure in Canada it will be utterly impossible for us to reduce the taxation which is so heavily weighing upon the people to-day; and unless that taxation is reduced to a very considerable extent it will also be impossible for any business, whether it be agricultural or otherwise, to succeed in the future. I think, Sir, that we ought to realize what an exceedingly difficult position we are in to-day in Canada. We are living beside the richest, one of the most populous, and one of the most progressive people in the wide world. In some respect in this country we are not free agents. As regards the question of wages and salaries, and in relation to other matters of that kind, we are controlled, not by our own desires but by the rates of wages and salaries that obtain in the United States; we are governed very largely by what the nation to the south of us may do in these directions. In other words, what the richest nation in the world may do we in Canada are bound also to do, so far as wages and other questions of that kind are concerned.

We have also to take into consideration this fact, that if direct taxation in the United States is lower than direct taxation in this country, then it simply means that our population will drift to the south. Some weeks ago, speaking in the House on other subjects, I directed the attention of the government to the exodus which was then taking place and which had been going on for a number of years. I do not think that we can say at this moment that that exodus has entirely ceased; in fact, I believe it is still in progress. And I do not think that the government or ourselves should be lulled into any false sense of security, or into any ungrounded satisfaction, in the suggestion that those people who leave Canada to go to the United States will surely return; because there is not the slightest shadow of doubt that many of our people, and some of the very best of them, who go to the United States never return but stay there. I say therefore that any expenditure, which the government considers necessary, should be made only from the standpoint of urgent and vital necessity; and such expenditure must be brought down to the very lowest possible figure, either if we expect to have our taxation on a par with the taxation that is levied in the United States—and I am speaking just now of direct taxation—or if we desire to retain our population. It

goes without saying, of course, that if taxation in the United States is lower than taxation here, most inevitably the drift of the population must continue to the southern country. Now, I do not wish it to be understood that I am saying in this House that we should not undertake any capital expenditures at all; I believe that in a new country which is progressing as we are, and in a more or less constructive period, it would be exceedingly stupid for any man to say that we should refrain from capital expenditures. On the other hand, if we do decide upon capital expenditure of any description, as for instance in connection with these branch lines, we should look forward very carefully to make sure that that capital expenditure will be productive of a commensurate advantage. We must not act merely upon conjecture; we must be quite certain that it will be worth while and that it will serve some vital need of the people before we vote any such expenditure. So that, with all due respect to my hon. friends on this side of the House, and without the slightest desire to court unpopularity, I say, in the most decided and distinct terms, that I will support these various resolutions only in so far as I am convinced by the most ample explanations and the most adequate information on the part of the minister that the lines are necessary and that the money expended on them is essential in every particular in order to serve a vital need without which we cannot do. I wish to make myself abundantly clear in that respect, so that in the course of the various resolutions and the subsequent bills which may come up, if any information is asked for, the government and the minister in particular will know precisely the stand I take in this House and before the country in reference to this matter.

I do not think that we in this House and in the country as a whole can shut our eyes to the actual railway situation as it now exists. I offer no comment at all on the question as to how that railway situation was brought about, for I do not think that we are particularly concerned at the moment as to how it all happened. We are however vitally conerned with what is actually happening and what may happen in the future. This we must take into consideration at every step; but I doubt very much whether the nation at large or, if I may say so, every hon. member in this House, quite realizes the vast amount of money which we have expended on these undertakings. Possibly many people think that when the estimates are brought down, or when an operating deficit or a profit, as the case may be, is indicated, there is no need any longer to worry about the railways. They do not realize that in the ordinary debt of the country there is a huge burden, an indebtedness on which we are paying interest all the time, and in relation to the railways themselves; because the indebtedness in that respect is part of our national debt. In other words, we cannot build or buy railways and think that the money will simply be segregated in a certain account and that we shall not have to pay any interest on it. Money has to come from somewhere, and if it does the cost of it has actually to be paid in one account or another. We have expended vast sums in these railways; there are vast sums locked up in the public accounts and in various other accounts; and there are a number of accounts which I think it will interest hon. members and the country as well to know. I think the people would like to know just what is the liability of the Dominion of Canada in connection with our railways. I do not like wearying the House, and it is with great reluctance that I venture to read statements of figures and accounts. But there is no other method open to me of getting these figures on Hansard, and as I think they are of sufficient importance to hon. members and to the country at large I shall ask the indulgence of the House while I submit them. First of all, there is the actual cash which has been invested in these various lines. That cash invested in these lines, as at December 31, 1923, amounted to the vast sum of $1,138,600,430.

Mr. McMASTER: These are the lines now incorporated in the Canadian National Railways system?

Mr. MARLER: Yes, they are now operated as the Canadian National Railways system. I will give my hon. friend the division of that particular amount in a moment. It may interest him to have this information. First I will give the main headings. We have expended on these railways, by way of so-called advances, large sums of money on which the interest has not entirely been paid. Then come certain securities which the Dominion guaranteed, the interest on which has to be paid, and eventually the principal also. Then there is a class of securities, so-called guaranteed as to interest only. I think that is a misnomer, for as a matter of fact if interest be guaranteed the capital also is guaranteed, because the obligation to pay interest cannot be of any value unless the capital is eventually paid off. So it virtually means that both capital and interest on those securities are guaranteed by the Dominion After those again we have a mass of so-

called unguaranteed securities. In those are included many millions of underlying liens, some guaranteed by various provinces, others not guaranteed at all, but all secured on the various roads of the system forming part of the National lines at the present time, and although not actually assumed—using the word in its very strictest sense—nevertheless they are virtually assumed by the Dominion, as owners of the property for the reason that if any particular block of securities became due and the interest was not paid, it would simply mean that a certain section of the line would be taken by the bond holders. Therefore as a matter of fact we have assumed those securities also, though they are not directly guaranteed.

Here is the statement to which I have reference, and if hon. members will bear with me for a moment I will read certain figures. I spoke a moment ago of the actual total amounting to $1,138,600,430.

This amount is divisible as follows:

What is now Canadian National since it was operated as such from about February, 1923.. .. ..$	16,172,847	
Canadian Northern	354,212,554	
Grand Trunk Pacific	138,743,070	
Grand Trunk.. ..	134,583,607	
Canadian Govt.. .	494,888,352	
		$1,138,600,430

In addition to this there is:

Interest accrued on loans to December 31, 1923, but not paid:		
Canadian National present system....	428,217	
Canadian Northern.	69,589,575	
Grand Trunk Pacific	27,562,616	
Grand Trunk... ..	13,858,120	
		111,438,539

Then there are net balances of unmatured securities outstanding guaranteed by the Dominion:

Canadian National present system.. ..	22,500,000	
Canadian Northern.	144,702,913	
Grand Trunk Pacific	43,432,848	
Grand Trunk... ..	49,743,000	
		260,378,761

And after that securities guaranteed as to interest which really means guaranteed as to principal also—Capital value of Grand Trunk stocks.. 216,207,141

There are also the outstanding obligations in the hands of the public secured on the whole or on parts of the system as the case may be—not actually guaranteed by the Dominion but assumed by it as virtual owner and on which interest has to be paid:

Canadian Northern—		
Equipment Notes..	32,519,000	
Securities guaranteed by various provinces	79,767,554	
Unguaranteed securities..	92,816,805	
		205,103,359
Grand Trunk Railway—		
Securities and those of affiliated companies..	44,622,128	
Equipment notes ..	13,482,700	
		58,104,828
Grand Trunk Pacific—		
Securities with provincial guarantees..	13,457,826	
Guaranteed by Grand Trunk.. ..	62,581,253	
		76,039,079
Total cash expenditure, interest accrued on advances, securities guaranteed by Dominion either as to principal or interest or both and obligations secured on the various roads..		$2,065,872,128

Now, this is a very pretty bill, Mr. Speaker, on which we have to pay interest. We can do it. No one need be afraid of the credit of the country or its ample ability to meet all its obligations and more in full. These figures are not given for the purpose of creating a panic. There is no reason to lose courage, because I am confident we can carry the load. This statement is given however as an ample warning that we have an enormous sum in these roads and as the most apparent evidence that we must not spend more except what is absolutely essential.

Now it is true that for the year 1924 the government is asking for $56,000,000 by way of loans to the National Railways.

Mr. MEIGHEN: In order that there may be no misapprehension, I am presuming that the hon. member has included in the grand total the cost of the Transcontinental, the Intercolonial, the Prince Edward Island and

other railways that have been built, with accumulated interest upon the cost, and that he has also included many obligations, aggregating quite a total in respect of which no interest is being paid, and for which interest we are not liable?

Mr. MARLER: In so far as the first part of this question is concerned, the right hon. gentleman is correct, the cost of the Transcontinental, the Prince Edward Island and the old government system of railways is included in the statement. Whether or not the interest has been calculated on the various amounts as advanced for these railways, I am unable to say. The statement was furnished to me by the Department of Railways and Canals. As to certain other securities on which interest is not being paid, I do not think they are included in this particular amount.

Mr. MEIGHEN: I think they are. I refer, for example, to the Grand Trunk Pacific bonds guaranteed by the Grand Trunk, and, as well, to the Canadian Northern income convertibles guaranteed conditionally. No interest is being paid on them, and we are not liable for such interest.

Mr. MARLER: Bonds of the Grand Trunk Pacific guaranteed by the Grand Trunk are included in the statement.

Mr. MEIGHEN: And the income convertibles?

Mr. MARLER: As to the income convertibles, I am not prepared to answer my right hon. friend at the moment. I could do so if I delayed to look up the figures here, but I presume the matter is not of sufficient importance at the moment for me to do so. Now, Mr. Speaker, the government is asking for a vote of $56,000,000 for the ordinary railway loans. In that sum there is, not included, of course, this additional $28,000,000. Last year we were asked for something like $74,550,000, or about $18,000,000 more than this year. This represents the gain in operating earnings of the Canadian National Railways, and possibly it may be said that in view of this gain we are justified in branching out and spending more money on our railway system, but I do not think there is any justification for this view. It would seem to me very absurd and most unreasonable that after spending something like $390,000,000 on these roads during the last three years alone there should not have been a very distinct improvement in the railway earnings, and for that reason I do not think we should be exuberant in praise or too generous in our attitude with regard to the spending of money on the building of branch lines, except, as I have stated, where they are absolutely essential.

In these operating deficits or in the operating surpluses, as the case may be, the actual interest payable to the government of Canada is not included or taken into consideration, to say nothing about the interest on the capital amounts which has been paid and which has been placed in the system. These fixed charges are continuing and are increasing materially every year. For example, in 1920 the fixed charges due the Dominion were $13,000,000. In 1921 they had increased to $19,000,000; in 1922 they were $24,000,000 and in 1923 they were $29,000,000. In other words, the amount of money payable on loans made and on indebtedness to the Dominion of Canada, not including operating deficits or earnings, was $29,000,000 on the 31st of December last.

There is another point that I think we should take into consideration: we are wont in this House to say, "Let us keep the railways out of politics;" or, "The board of directors say we should do this or should do that." I do not think we can hide behind statements of that kind. We have to accept our own responsibility in this House for the money we spend on branch lines or on any other part of the railway system. So far as I am concerned, I am not going to hide behind the cry that the railways should be kept out of politics or that the board of directors say this or say that. I want to know myself what the expenditure is to be before I share any responsibility in the matter.

In addition to that, we shall probably be told that the budget will balance this year. I am not uttering criticisms, Mr. Speaker, in this respect; I am simply stating cold facts. Twenty-eight millions is a huge sum of money and should not, either in whole or in part, be voted in this House until we know precisely what we are doing. It may be argued that on account of the budget being balanced we should branch out still more, but in my opinion that is no reason at all. I am glad to know that the budget is likely to balance, but if it does it will be because we have too great war taxes on the country, the surpluses from which are being used for other purposes, not war at all. If there is a surplus of war taxes—and I know there is—then those war taxes should be remitted, cancelled or reduced.

We are very likely to be told as regards these branch lines that in view of the reduction in the estimates we should proceed with

the proposed construction. I know there has been a very considerable reduction in the estimates and I commend the government for it. That reduction, exclusive of railway expenditure, amounts to $27,000,000, of which probably $10,000,000 is due to the slackening off of war services. In other words it is due to the fact that those war services have slackened off in the ordinary course of events and have not been specially diminished in any way—services which are paid, Mr. Speaker, with war taxes. That means that there is a reduction in the estimates this year of $17,000,000, and that reduction will be not as great when the supplementaries come down. Therefore I submit that the fact that there is a reduction in the estimates is no reason at all why we should build branch lines and more railways.

These resolutions are brought down at this time of the session, and before the budget, no doubt for certain very good reasons. They are brought down, I suppose, at this particular season of the year in order that the engineers may get to work on their estimates, get their plant on the ground and start the construction, in accordance with any vote passed by this House and by the other House, in ample time during the coming summer. That is sense, there is no doubt about that; it is a good season for the measures being brought down at this time. But notwithstanding that, it seems to me that we are entitled to know exactly how our budget is going to stand for the next year before we vote $28,000,000. Business at present is not satisfied, particularly in view of the heavy taxes that are being paid. Many say that business is prosperous, but I am of the opinion that it is not as prosperous as many seem to think. Business wants to know how we are going to stand for the next fiscal year before undertaking a measure of this kind.

It was indicated by certain proposals of the government that there might be changes in the tariff, and cities in particular have been very much disturbed as to what those changes might be. I do not know what the actual proposals are; nobody knows what they are; but business is very distinctly disturbed in that connection, and I venture to say that if proposals are brought down which will injure business interests or will not improve business interests, which without doubt need improvement at the present time, certain parts of this country will not agree to the building of any of these lines. We want to know before expending money exactly where we stand, and I think we are entitled to know before voting this large sum precisely what is the fiscal policy of the government.

Without discussing any particular branch lines, I wish to say that I have taken the opportunity of studying, by the map and by such information as I have been able to procure, the various lines which are projected. Some of these lines, it is alleged, should be built because certain grading has already been done. It is urged, not by the minister but by others, that for this reason we should put rails on these gradings and complete them into railways. But in my opinion the fact that these gradings exist is no reason whatever for taking that course. If we have spent money on the grading of these lines and if it has been unwise to proceed further, the mere fact—I repeat, the mere fact; I do not want hon. members to misunderstand me—that these lines are graded and that money has been spent on the grading is no reason why millions more should be spent in turning them into profitless branch line railways.

4 p.m.

In addition to that, so far as I can see, some of these lines are too near other existing lines and therefore are not essential. In other cases there is too little population to serve and there is not likely to be any additional population in these particular localities for some considerable time. In other cases I believe traffic arrangements could be made with other railway companies which would obviate the building of additional lines. In other cases I can find no reason whatever why the projected lines should be built, and I doubt if any railway engineer could find any. In that connection, Sir, I may point out that we have millions of acres near railways which we can use without spending enormous sums for the building of lines into sparsely populated territory.

In conclusion, as regards the remarks which I have been making I want to say this—and it has reference to a fact which, I think, is not fully understood or fully grasped—we have in this country at present two great railway systems, the Canadian National and the Canadian Pacific.

I think every member of this House, I think everybody in this country, should wish well for both these lines, they are both great national undertakings. But to say that the Canadian National system should progress because of unfair competition with the Canadian Pacific line is senseless in the extreme. The Canadian Pacific is just as great a national asset as the Canadian National line. In addition to that, the Canadian Pacific is known

all over the world by reason of its stability in management and in finance and is, as a matter of fact, all hon. members will admit, a source of pride to this country. The Canadian Pacific is financed by its own efforts on its own credit and on its own ability, whereas all the Canadian National railway line has to do is to to come to this House and get money, and it usually gets the money it requires. Now, to have competition between these two lines is senseless in the extreme. If traffic arrangements can be made with one line to help out another line, I think those arrangements should be made. To build lines unnecessarily when there is not enough traffic to satisfy both these systems is not putting this House, is not putting this country, in a position to get lower freight rates in the very slightest degree. What we need in this country and what we must all try to get is lower transportation costs. That is what we want. Building branch railway lines may yield pleasure but that is not going to give us lower transportation costs if other railway lines are there to serve the particular purpose which the proposed new lines are intended to serve. I wish to make that point abundantly and absolutely clear in every respect, and I particularly wish to repeat—that where it is possible to make traffic arrangements with another railway these branch lines, as suggested, should not be constructed simply for the purpose of building them. In addition there is a great deal of duplication of services in this country between these two railways. I believe traffic arrangements could be made between the two systems that would be most satisfactory. Why should not such traffic arrangements be made, why should not such duplication be avoided? Why should not such duplication be remedied with a view to bringing the operating costs of both systems down to a minimum and making their operating and general profits greater?—so that in course of time we shall be prepared to demand lower transportation costs. That is what we must have in mind in connection with these proposals brought down by the minister. The object should be not to build further railways, not to spend money unnecessarily, but to get lower transportation costs and see that both these great railway companies shall survive and prosper.

Now, Mr. Speaker, I will take my seat merely adding these few words. When these bills are brought down I shall expect the fullest information from the minister— and and this no doubt he will give in his usual admirable manner. I shall want to know how the expenditures are to be met and what reasons there are for building these different branch lines before I will support the proposals.

Mr. J. J. DENIS (Joliette): I have listened with much interest to the hon. gentleman who has just resumed his seat and I must say that I am fully in agreement with him in what he has said. However, I wish to add something further to complete what the hon. member has stated. I do not think, Mr. Speaker, that I ever was a partisan of provincialism, much less should I like to be called parochial. Nevertheless, I wish to regard these projects for building branch lines from the point of view of the province from which I come. I have before me a statement indicating the mileage of railways in Canada by provinces, the population of each province and the percentage of population per mile. That statement is as follows:

Province	Miles of railway	Population	Percentage over Quebec per unit of population	Population per mile of railway
Ontario..	11,001	2,933,662	1.7	266
Quebec..	4,941	2,361,199		460
Manitoba..	4,403	610,118	3.3	138
Saskatchewan..	6,220	757,510	4.5	102
Alberta..	4,470	588,454	4.5	103
British Columbia	4,325	524,582	4.5	102
Nova Scotia..	1,438	523,837	1.4	326
Prince Edward Island.	279	88,615	1.5	314
New Brunswick..	1,816	387,876	2.2	213

In other words the province of Ontario has nearly twice as many railways as the province of Quebec. The exact percentage of the population is 1.7. The province of Manitoba, bearing in mind the difference in population, has over three times more railways than the province of Quebec, the percentage of population being 3·3. The province of Saskatchewan has more than four and a half times as many railways, bearing in mind the difference in population, as the province of Quebec, and the same with the province of Alberta. British Columbia has four and a half times as many railways bearing in mind the population as the province of Quebec. Nova Scotia has one and a half times as many railways, the percentage being 1·4. In the case of Prince Edward Island the percentage is 1.5. The province of New Brunswick has a little over twice as many railways as Quebec, the exact percentage being 2·2.

Mr. CARROLL: Has the hon. member taken into consideration the St. Lawrence river improvements upon which this country is expending millions of dollars a year?

Mr. DENIS (Joliette): I am quite ready to admit that my hon. friend's argument has its

value but at present I am dealing with railways. Now this resolution and the bill which will follow proposes that 965 miles of railway should be built at an expenditure of $28,311,300. Out of the 965 miles now being proposed Quebec will have 31 miles, with an expenditure of $1,462,000.

Mr. BEAUBIEN: Is the hon. gentleman aware of the benefits the province of Quebec receives through its shipping ports from the extra branch lines and railroads in the western provinces?

Mr. DENIS (Joliette): I am aware of all that, but this is another question altogether. I could not answer offhand a question like that. If I were to answer the question of my hon. friend I should have to go into details as to the cost of the railways and the improvements made in the St. Lawrence, and so forth, and this is a matter which is outside of the question I have been discussing. I shall be quite willing to hear my hon. friend discuss the question as to why further railways should be built in the West.

Mr. BEAUBIEN: It would be very much better if my hon. friend had made a comparison of the railways constructed in the West as compared with those constructed in Quebec.

Mr. DENIS (Joliette): With reference to the new lines which are now proposed, it is provided that the following new lines will be constructed:

	Miles	Cost
Quebec	31	$1,462,000
Nova Scotia	71	3,661,000
Alberta	237	5,710,000
Saskatchewan	380	10,935,000
British Columbia	139	2,942,300
Manitoba	66	1,478,000
New Brunswick	41	2,123,000
Prince Edward Island	None	None
Ontario	"	"
	965	$28,311,300

There are no branch lines to be built in the provinces of Prince Edward Island and Ontario. It seems to me that the distribution of railways throughout Canada should be more equal. It appears to me that it is hardly fair, when the provinces of Manitoba, Saskatchewan, Alberta and British Columbia have four times as many railways as the province of Quebec, that other lines should be built in those provinces, and that lines which have long been needed in Quebec and long been sought for in the province of Quebec should be set aside. I submit that in my province several lines of railways should have been built a long time ago. For instance, we all know that the Transcontinental has no branch line connecting with Montreal. The need for a branch line linking the Transcontinental with Montreal has long been felt, but it has not been built, because of the war and because of the extraordinary expense the country has been put to during the last ten years, and because of the desire for economy. I am strongly in favour of economy, and I support the views expressed by the hon. member for St. Lawrence-St. George (Mr. Marler) and for these reasons I say that if there is no money to be spent in building railways in the province of Quebec, I do not think more money should be spent on railways in the western provinces, where they have four and a half times as many railways at the present time as we have in Quebec. This is simply a matter of justice. We must not forget that railways in a community mean something. In the province of Quebec for the last hundred years we have had an exodus to the United States of from one to two million inhabitants. The statistics are not quite accurate, but everyone admits we have lost to the United States at least one million of our people from the province of Quebec. If we had twice or three times as many railways in Quebec as we have now, the natural resources of that province could be better exploited, our mines, lumber, fishery and other industries, and our people, instead of going to the United States, would have found employment in their own province. This would be a great comfort to the province, because, instead of having a population of 2,361,169, we would have a population of three million and over. I look upon this as a matter of fair play and justice, and for my part I am not ready to support the resolution as it stands.

Mr. GARDINER: Has the hon. member taken into consideration the fact that in Quebec last year there was expended for transportation purposes—harbours, rivers and so forth—the sum of $1,137,650.50, as against an expenditure in Saskatchewan and Alberta of $34,000?

Mr. DENIS (Joliette): Yes, I take that into consideration, and if you take into consideration the fact that the province of Quebec is paying for the railroads of the West—

Some hon. MEMBERS: Oh, oh.

Mr. DENIS (Joliette): This is a fact which will be proven on investigation, and there is no question about it. In answer to my hon. friend I say that this million and a half is just one drop in the bucket compared to what we are paying for railroads in the West. We have deficits of hundreds of millions of dollars on these railways that have

been built where they should not have been built.

Now let us make another comparison. In the United States they have one mile of railway for every four hundred inhabitants, in Canada we have one mile of railway for every two hundred inhabitants; and in Manitoba, Saskatchewan, Alberta and British Columbia they have one mile of railway for every one hundred inhabitants. These lines by the very nature of things must come out of the moneys of the country, and must increase the deficits, and the province of Quebec is paying for this.

Mr. GARDINER: Is the hon. gentleman not aware that the western lines produce the paying tonnage and the eastern lines do not?

Mr. DENIS (Joliette): I will be ready to listen to my hon. friend when he undertakes to prove that the western lines are paying for themselves. My knowledge is that they do not pay for themselves, and until the proof is furnished I maintain they do not. He advances the proposition that they are the railways that pay. It will be for him to prove that, but that is another argument altogether. I was answering my hon. friend when he stated that there was expended in Quebec for wharves and harbours and improvements of the St. Lawrence, one million and a half last year. This is an insignificant sum compared to what these railways are costing us.

An hon. MEMBER: We pay that every year.

Mr. DENIS (Joliette): But the railways are piling up an enormous defiicit every year. Coming back to my subject more definitely, I say there are in the province of Quebec many localities where railways are just as badly needed as they are in the West. I will give you one example. I do not want to be parochial, but I would refer to Joliette and Berthier which are my county and the adjoining county where there are communities with populations of 7,000, and they are sixty miles from a railway. Those communities have been in existence for over thirty years, and there is a great deal of traffic through that part of the country. If a railway were built there, it could develop that traffic and the country could develop, but the country cannot at present develop because it is too far from a railway. When requests are made for railways, the answer comes necessarily: "We have no money to build them." I am ready to admit that money is scarce; but we cannot on the one hand say that there is no money to build a railway in Quebec, and on the other say that there is money to build railways in the West. I have every consideration for my hon. friends from the West and the other provinces, but I have shown now that Quebec is very far behind any of the other provinces of this Dominion as regards the building of railways.

What is this confederation? It is an agglomeration of nine provinces, in which the interests, in many instances, are absolutely different, if not opposed one to another. What means has a province to advance its own interests? Its influence, and the influence in this case comes through the population. The province that is most populous is most important in this confederation—I mean in point of activity and influence—by the very nature of things. The province that has the least population has the least influence. It is reasonable for any citizen of any province to claim that his province should have the railways which it deserves, because railways bring population and population means importance and influence in this Dominion. For all these reasons, while I am not prepared to say that I shall be opposed to every one of these resolutions, I want to reserve my right to examine each and every one of them, and I feel convinced, unless I should change my opinion in the meantime—and that is not likely—that the greater part of these resolutions should be discarded.

Mr. ROBERT FORKE (Brandon): Mr. Speaker, I intend to say only a few words, because I am aware that on this side of the House there may be members who are able to speak with better knowledge than I regarding some of these branch lines. I want, however, to reply to some of the remarks made by the two previous speakers. I think it goes without saying that in this House we are all standing for economy, only our ideas as to what economy means may differ a little, sometimes on account of the particular point of view from which we view the question of economy.

Some hon. MEMBERS: Oh, oh.

Mr. FORKE: If hon, gentlemen to my right will wait until I begin to express my views, perhaps they will know what I intend to speak about. It is rather surprising to find so much interest taken, before one begins to speak, as regards what one is going to say.

We hear continually about the drift of population to the south and the causes of that drift of people from Canada to the

United States. I think I mentioned before that there will always be a certain number drifting over the line to the large population to the south of us. At the same time, I think we will all admit that present circumstances with us are not such as they might be to conduce to keep our people at home. I am willing to admit that hon. members in all parts of this House are quite as sincere as I am in their endeavours to better conditions, and to see that this Canada of ours shall be as prosperous as it can possibly be made.

I have no intention to discuss this matter from the standpoint of any particular province. I realise, as the last speaker has said, that there are difficulties in governing this country owing to its geographical and physical conditions. I believe all of us ought to consider from a national point of view the various items that come before us for our consideration. It is quite human that most of us will be influenced by the locality from which we come and the environment by which we are surrounded in that locality; but I think it is possible to divest ourselves of that state of feeling and to judge things with some degree of fairness to all parties concerned.

As regards the branch lines in the West, I think Manitoba has only one small branch line. Quite a number, however, of branch lines are in the western prairie provinces. The hon. member for St. Lawrence-St. George—(Mr. Marler) was very particular to inform the House that he was not going to support any of those lines unless they were absolutely needed.

Mr. MARLER: I was referring to no particular lines in any province whatsoever.

Mr. FORKE: I quite agree with that. I was rather unfortunate in the way I made the remark. I meant all branch lines.

Mr. MARLER: I did not say that I would not support any particular branch line. I stated that no branch line should be built except where necessary and essential. I think my hon. friend will very likely agree with me in that.

Mr. FORKE: My hon. friend has put the matter better than I could put it. That was exactly what I was going to say. I quite agree with the hon. member, and I will support no line unless it is absolutely necessary and a paying proposition to build. That is the position which I would take as regards any line that is proposed at the present time. I will say a few words about that later on.

The statement was made that we must keep our railways out of politics. I could not help thinking that the hon. member was putting up a straw man simply to knock him down, because we all know that when the question is one of voting money for the Canadian National Railways, that question must come before this parliament, so when we speak about keeping the National Railways out of politics, we do not mean it in that way. If money is required for capital expenditure on the Canadian National Railways, it will have to be voted by this parliament.

Another remark was made regarding business, and I paid particular attention to that remark, because it was bracketed with the tariff. It seems to me that no address can be made in this House unless the tariff appears in it. The hon. member referred to the fact that there were certain rumours in regard to the tariff. I cannot quote his exact words, but I think I caught the meaning that business was so alarmed, in such a precarious position, that it would be very difficult to get money to build branch lines as long as business was in that particular frame of mind. I think I have the idea fairly that if business were put into a safe position through the tariff being stable, or put into the position that business would want, possibly we could go on and build branch lines. I do not know whether I drew the inference correctly, but that is the inference which I draw from the remarks made at that particular time.

Mr. MARLER: There was no suggestion on my part that money could not be obtained to build branch lines having respect to the tariff. What I intended to convey was this, that business was not at the present time certain what the tariff proposals of the government might be, and I thought it better that the fiscal policy should be definitely known before we expended a large amount of money on branch lines or anything else.

Mr. FORKE: I accept the hon. member's statement. It is pretty much along the line of what I tried to convey myself. He probably has a better command of language and can put the question more clearly than I can. As regards the situation in business, I am quite in sympathy with having industry prosper and I wish to see it prosper. When the question of taxation is referred to it is always spoken of as being something that presses heavily upon business. Well, let me say that taxation presses heavily upon all the people.

Mr. MARLER: That is precisely what I said in my opening remarks; I pointed out that taxation pressed heavily upon both agriculture and business.

Mr. FORKE: That being the case, I do not see why I should be making this speech, because the hon. member has already apparently stated everything that I have to say. He also made reference to the rivalry between the Canadian Pacific Railway and the Canadian National Railways. No one in this House harbours any antipathy at all to the Canadian Pacific Railway or regards it in an attitude of antagonism. It is one of the greatest institutions the world has ever known, and we as Canadians are proud of the fact that we have the Canadian Pacific Railway in this country. So that we can, I think, dismiss from our minds any idea of hostility to that great corporation. At the same time, however, we want to look after our own interests as far as we can just as the Canadian Pacific Railway Company are doing from their own point of view. With the Canadian National Railways the position is somewhat different. We are interested not only in the efficient operation of the roads but, as well, in the financial success of the whole concern, because the success of these railways is a matter that affects not only our national pride but our national pocket as well, and we must see to it that they are made prosperous. I do not like to speak in a particularly optimistic tone in regard to the future of the railways, but I believe that at no very distant time hence a great many of our difficulties in connection with the Canadian National system will disappear with a growing population and growing business, and that the great burden that at present weighs down upon us will have been partly lifted from our shoulders.

A remark was made by an hon. member regarding the mileage of railways that were being built in the different provinces. I do not know that this is the happiest way of approaching the consideration of this subject. I think that the needs of the various provinces would constitute a better basis upon which to discuss the matter. Population per mile is not, in my opinion, a satisfactory standpoint from which to examine the railway situation in any province; rather, I think that the earning power per capita of the population for producing traffic for the railways would be a much fairer way of arriving at the true mileage which the people in any particular locality should have. On this basis I claim that in the three prairie provinces the people produce more tonnage per mile than is produced in any other province in the Dominion. I dislike mentioning personal affairs, but if I may be pardoned I may say that I have shipped as many as thirteen and fourteen cars of wheat in one year, which is a very large amount of tonnage for one individual to produce. This of course may not be typical of the entire prairie country, but I consider that the population of these provinces produces a larger tonnage of freight for the railways than any other province in Canada.

Mr. MOTHERWELL: Or any other place in the world.

Mr. FORKE: It is a well known fact that the paying mileage of the railways is in the West. Hon. members from the East are continually asserting the fact that the great burden of the railways is put upon the shoulders of the people, and that the country is building western lines.

Mr. MARLER: Not everyone says that.

Mr. FORKE: Well, a good many people do. But they seem to forget that had the railway mileage stopped at Fort William, there would never have been such large dividends as have been earned by the prairie lines that were constructed from Fort William, west. Never in the history of railways have larger dividends been paid than on the western lines, but these dividends would not have been possible had the mileage stopped at Fort William. I have no hostility to the province of Quebec; indeed, I like that province and its people. But I want them to bear in mind the fact I have just stated. I do not like to see any question discussed in this House purely from a provincial point of view. It is absolutely necessary, of course, when members of parliament come here to represent certain sections of the country, that they shall look after the interests of those particular localities. But, while this must be done, I hope it will aways be done in the proper spirit and with a view to cultivating that broad national outlook which I am sure we all trust will be characteristic of the Canadian people before long.

Mr. ANDREW McMASTER (Brome): I do not propose delaying the House long with the observations that I have to make, but I feel that an expression of gratitude should be tendered the hon. member for St. Lawrence-St. George (Mr. Marler), for the very able manner in which he has dealt with this matter. I believe that it is of vital importance, in considering this large number of railway bills that we should have always before us the financial condition of the country. To say whether one was in favour of branch lines or not would be as ridiculous as to say whether a man liked vegetables or not; there

would be some which he would like and others which he would not like. I do not think that we can consider these branch lines in a lump; each one will have to be taken up and examined carefully, and, in my opinion, the light in which we should view this question is the light of this principle—that we in this country cannot afford to spend money upon anything except vital necessities.

Mr. EULER: We might take that for granted.

Mr. McMASTER: Yes, we might take it for granted, and we should be glad to do so, were it not for the fact that proposals are submitted every few weeks which indicate quite clearly that we cannot take anything of the kind for granted. No doubt if the House were composed of gentlemen of the wisdom and prudence of the hon. member for North Waterloo (Mr. Euler), such a remark as he has just made would be quite pertinent. However, to bring matters back to a practical level after these complimentary observations, I would suggest that in regard to each one of the bills which we shall consider, the Minister of Railways (Mr. Graham) should be prepared to submit the following information before the Court—

Some hon. MEMBERS: Oh, oh.

Mr. McMASTER: It would be well, I think, if we could all look at this question in a purely judicial and impartial frame of mind. The information which I suggest the minister should be prepared to lay before parliament is this: First, what extent of territory will be served by the proposed line; second, what number of persons will be so served; third, how far are such persons distant now from the nearest railway facilities?

Mr. CANNON: Most of them are still in Europe.

Mr. McMASTER: Well, I did not intend to give an international aspect to the matter; I should be content to consider merely the number of people in Canada who are distant from the nearest railway facilities. Then I think we should have some computation, rough though it might be, of the amount of tonnage that might be carried on the proposed branch lines, as well as the estimated earnings. The estimated profit to be obtained in the immediate, and the more distant future should also be considered. I can well understand that it might be good business to build a line even although for a year or so it might be a liability rather than an asset, if there were a very strong assurance that within two or three years that liability would be turned into an asset. I do not wish to detain the House much longer, but it seems to me that it is in the light of this principle, and with the information which I seek, that we should bring our minds to a consideration of the different branch lines proposed.

Sir HENRY DRAYTON (West York): Mr. Speaker, I had not intended detaining the House with any remarks at this moment, but I deem it necessary to again make clear the position which we take upon this question. My hon. friend the leader of the group to my left (Mr. Forke) pointed out that everything in connection with railways, capital expenditure and the like, had to come before the House, and my hon. friend from St. Lawrence-St. George (Mr. Marler) also pointed out that there was a probability of the budget being balanced. Well, both these gentlemen are to a certain extent right, and yet they are wrong. The real reason why we are having all this discussion to-day, and no branch lines were built last year, is that the ordinary rule of showing railway capital expenditures as a matter of railway vote year by year was departed from. It is quite easy, of course, to show a favourable balance when you change your method of book-keeping, but I think my hon. friend from St. Lawrence-St. George is quite right in saying that the balance should not be taken too seriously in connection with this matter. He might have gone further and said that with respect to that balance we will have to consider the wonderful legislation of last year along with the loans of $50,000,000, and $22,500,000 guaranteed by the government. Of course, it makes all the difference whether you do or do not consider in your balance $72,500,000.

Mr. GRAHAM: Were those loans considered in previous years?

Sir HENRY DRAYTON: My hon. friend will correct me if I am wrong, but I think there was never a loan which was not brought down to this House and duly voted. However that may be, we have got further admissions at the present time from my hon. friend himself, and I care not, and this House cannot very well distinguish, what he does one way or the other with the money in the light of his own admission that we already have many more millions of dollars invested in this property than it is worth.

Mr. MARLER: A year or so ago my hon. friend stated that we had to spend money on these properties.

Sir HENRY DRAYTON: I fail to see the significance of having had to spend it.

Mr. MARLER: Well, the significance is here. The money had to be spent, my hon. friend said, because trains were running off the tracks.

Sir HENRY DRAYTON: Oh yes, my hon. friend is perfectly correct, but he is referring to something that I am not addressing myself to at the moment. It is quite correct to say that in the past money had absolutely to be spent in order to provide a proper vehicle of transportation, and the capital so spent in betterments and reconstruction is to be found in the deficits voted by this House. As I say, Mr. Speaker, the only reason for the delay last year was that a new method might be adopted and the old basis of comparison confused, with the resultant loss of time. There was something said to the effect that the money for these branch lines cannot be got quick enough by vote. Well, sir, we have already voted one-sixth of the estimates without a word of discussion. In connection with these branch lines there is no reason in the world why the estimates could not have been brought down at the very commencement of the session and the votes dealt with. That is not the reason. The reason is that it is thought to be a good thing to get a change of basis.

I do not want to delay consideration of these bills. I think that probably most of the branch lines will not at all measure up to the standard claimed by my hon. friends who have spoken, that on the contrary they will fall very far short of the standard required, for instance, by the leader of the Progressive party. But some of these branch lines I think do measure up to the standard, and we do not want to delay their proper consideration. We do however, want to get the fullest and completest information with respect to all these projects, and surely that is something which the House is entitled to. Last session we had a great deal of difficulty in getting any information at all. I recall correspondence with my hon. friend (Mr. Graham) complaining of lack of information, and it will be remembered that last session we protested against these matters being dealt with without proper information being furnished to the House. Now, I hope that will not again occur. I would ask the minister to bring down not only the information which the hon. member for Brome (Mr. McMaster) has already pointed out should be furnished, but also appropriate maps in order that members will know just exactly where this construction is and its relation to other lines, so that they will be able to appreciate the effect on the railway situation generally. I think we should also have—and I know that my hon. friend can get it if these matters have been properly considered—the regular traffic report from the traffic officers of the company. And over above all that, I think this House has the right to ask from the gentleman to whom we are all looking for the real operation of these lines—Sir Henry Thornton—a declaration that he requires them and believes that their construction is in the public interest. We do not want to have it said later on, as it very likely may be said in view of the location of some of the lines in this list, that the House rendered it absolutely impossible for the National system to make a proper showing. Therefore, we have a right to such a declaration and to be assured that the proposed construction will not constitute an obstacle to the successful operation of the system in future. I would ask my hon. friend to bring down this information. I would also like it to be understood that while we yield not our position that railway costs should be shown in the railway estimates, and that the whole matter be properly and fully considered when the bills are in committee, we reserve to ourselves the right to discuss any matter of principle which may arise.

Mr. JOSEPH ARCHAMBAULT (Chambly and Vercheres): Mr. Speaker, I only rise to say that I fully endorse the remarks made by my hon. friend from St. Lawrence-St. George (Mr. Marler) regarding the resolution now before the House. He has made such a forceful speech and has so well covered the ground that I will not weary hon. members with further arguments in support of his attitude. Like him I only wish to make my position clear, and I will do so in two words. On another occasion I stated that it was very difficult to convince some of our constituents that the construction of very important and urgent public works must be deferred at the present moment on account of the economy that we have to practise in our public expenditures. If we are to make expenditures in railway construction which are not absolutely necessary and urgent it will be impossible to convince our constituents of the necessity for delay in other works. Therefore I will await the information which the Minister of Railways will undoubtedly bring down when the resolutions come before the Committee of the Whole House for consideration. I am sure that he will be able to convince us that these projected lines are necessary and urgent at this time. If he does not,

I am sorry to say that I shall have to vote against the resolution.

Mr. G. W. KYTE (Cape Breton South and Richmond): Mr. Speaker, the subject of the construction of railways in this country is always one in which the representatives in the House of Commons take a deep interest. This afternoon we have listened to a discussion led largely by hon. gentlemen residing in the city of Montreal or in districts within close and ready access to it. We do know that for some years in that city a rivalry has existed between the two great national railway systems of Canada. From the point of view of the districts represented by my hon. friends I presume we have not very much fault to find with their attitude. The hon. member for St. Lawrence-St. George, Montreal (Mr. Marler) has no constituents who reside very far from railways.

Mr. MARLER: He has constituents who have to pay for them, though.

Mr. KYTE: Well, the whole people of Canada contribute their proportion. When my hon. friend's constituents desire to leave the city and travel to remoter districts they are not obliged to drive by buggy or automobile a very considerable distance in order to get to the nearest railway. The same is true with regard to my hon. friend from Chambly and Vercheres (Mr. Archambault), he not only has two railways in his riding, but he is advocating very strongly and with great eloquence the building of a bridge to connect his constituency with the city of Montreal.

Mr. ARCHAMBAULT: Very necessary indeed.

Mr. KYTE: I quite agree that that bridge is very necessary from the point of view of the interests of my hon. friend's constituents, but he should also concede that necessary railway accommodation should be extended to rural districts.

Mr. MARLER: Never said a word against it.

Mr. KYTE: I myself live in a constituency that has not the railway accommodation that it ought to have and that the importance of that part of the country calls for. The hon. member for Joliette (Mr. Denis) gave a statement in the course of his speech as to the population served by each mile of railway throughout the different provinces. I shall not recapitulate his figures, but he pointed out that in British Columbia there was a mile of railway for each 102 of the population; in Ontario, a mile for each 266, and in Quebec, a mile for each 460. In Nova Scotia there is a population of 326 to each mile of railway. In the island of Cape Breton, which ought to be and has always been regarded as a section of Nova Scotia standing by itself, we have one mile of railway to each 600 of the population. In the United States there is a mile of railway to every 400 of the population. So that from the figures quoted by the hon. member for Joliette and from those I have just given it will be seen that in the important section of Nova Scotia from which I come we have a smaller mileage of railway in proportion to the population than in any other part of Canada.

5 p.m.

During the last two years that I have occupied a seat in this House I have not pressed unduly the demands of the people of that part of the country in reference to necessary railway accommodation. I regret very much that in this very generous bill of fare as regards the supplying of branch railways for the different provinces, the hon. Minister of Railways (Mr. Graham) has not been able to include the construction of a railway line from the town of St. Peters to the city of Sydney and the town of Louisburg. Nova Scotia is rich in natural resources; I do not think that in any part of Canada there is greater natural wealth than is to be found in that province. In the island of Cape Breton, which I more particularly represent in this House, there is a still larger amount of wealth in natural resources. We have there all the important coal mines of the Maritime provinces. We have there a great steel plant which gives employment to a larger number of men than probably any other industrial concern in Canada. From the town of St. Peters to the city of Sydney is a distance of sixty miles, and along that line there are valuable coal mines, deposits of ore, and settlements, the people of which make a prosperous living in the pursuit of the fisheries. These people are obliged to haul the products of their industry twenty or thirty miles to a railway. Important lumbering resources which are still undeveloped are also to be found in that section. Recently some important mineral deposits were discovered about thirty miles from the railway. A large and wealthy industrial concern in New York spent some $60,000 or $70,000 prospecting this area. They found the mineral deposits were there, but owing to their being such a long distance from a railway the project had to be aban-

doned. The company lost the money they had spent on it, and the mine still remains undeveloped. What was done in Ontario when large mineral deposits were found in that northern country? The moment it was known that it was wealthy in respect of mineral resources, a railway was built to tap that section of the country.

An hon. MEMBER: By the province.

Mr. KYTE: By the province; it was a Liberal government that was in office at the time.

Mr. SUTHERLAND: If my hon. friend will permit a question, does he not recall that the Liberal government in power at that time refused to grant the usual subsidy for the building of that road?

Mr. KYTE: Well, I am not sure as to that; at all events the Liberal government in Ontario built the railway and it has been a great advantage to that country. I do not propose, however, to be drawn away from the particular matter I have in my mind. I cannot emphasize too strongly the importance of constructing the railway line to which I refer, and while I give enthusiastic support to every proposal calculated to improve the conditions of people living in the rural districts and facilitating the transport to market of the products of their industry, I desire equal consideration for every part of the Dominion of Canada.

In the proposals of the Minister of Railways provision is made for one branch railway for the province of New Brunswick, two for Nova Scotia, three for Quebec, two for Manitoba, ten for Saskatchewan, five for Alberta, and three for British Columbia, making twenty-six branches in all. It was argued by the hon. member for Joliette (Mr. Denis) that owing to the sparse population in these provinces there was no justification for constructing these branch lines of railway. Mr. Speaker, one of the chief justifications for such expenditure is that the building of these railways will increase the population, and will bring more people into the country to assist in developing our resources. What is the situation that exists to-day? It is that population is moving from the rural districts to the urban centres. It is stated from time to time, unfortunately with great truth, that we have to a very large degree lost population from the rural sections. Large numbers of our people, it is alleged, have gone to the United States, and many others have moved from the rural sections to our cities. Why have they done that? Because the conditions of life in the country are not as favourable or as pleasant as they are in the cities. How can we expect the people to take up farms in sections thirty and forty miles from a railway, how can we expect them to engage in farming and help to develop our natural resources, if there are no railway facilities in the rural sections by which their products can be transported to market. The conditions that exist in western Canada are not peculiar to that part of the country; the conditions existing in the older settled portions of the Maritime provinces call just as loudly for the provision of railway accommodation as do those in the West. It is probably too late now to ask the Minister of Railways to include in his rather comprehensive scheme for the building of branch lines the railway that I have in mind, but I trust that when the House is called upon to consider railway construction at a future session the importance of the line whose construction I advocate will not be overlooked.

Mr. ARCHAMBAULT: Is my hon. friend referring to a railway line in his own constituency?

Mr. KYTE: The claims of my constituency present themselves to my mind before those of any other riding in Canada. In that respect I resemble my hon. friend. I am here to speak for my own constituency, and I should be surprised if the hon. gentleman himself admitted that he thought of any other constituency before urging the claims of his own.

Mr. MICHAUD: My hon. friend has been urging the construction of a bridge in his own constituency.

Mr. KYTE: That is possible. Most assuredly I am thinking of the railway situation in the riding I represent. I believe no greater necessity for improved railway facilities exists anywhere than is to be found in that constituency. While I heartily support the proposal of the Minister of Railways, because I believe that every community should enjoy the advantages that I desire to see provided for my own constituency, nevertheless I shall feel that the minister has not done his full duty in meeting the need for further railways until he has turned his attention to the section of Canada which I represent and whose claims I am urging with all the force I can.

Mr. DONALD SUTHERLAND (South Oxford): I have a very vivid recollection of the debate which took place a year ago in connection with the proposals for the construc-

tion of branch lines, and I must congratulate hon. members opposite, and the country as well, on the fact that there was evidently an insurrection at the ministerial caucus held this morning, if not a riot. We on this side of the House are convinced of that by what we have heard from hon. gentlemen opposite this afternoon.

Mr. MARLER: My hon. friend's imagination is running away with him entirely.

Mr. SUTHERLAND: The remarks of some hon. gentlemen opposite justify to the very letter the attitude which we on this side took a year ago with regard to the construction of these branch lines. They prove beyond all fear of contradiction that our position at that time was absolutely sound. I hope the hon. members in question will pursue their present stand until the end.

The other night I argued, in connection with a very large item that was before the Committee of Supply, that the minister was not bringing down the information to which we were entitled. The protest made had its effect. It involved some delay, but finally we obtained the desired information. I desire to express the hope now, that the Minister of Railways will not follow the course pursued by his colleague the Minister of Public Works on the occasion referred to.

Mention has been made during the discussion of the need for branch lines in various provinces, and the hon. member who spoke a minute or two ago (Mr. Kyte) referred to what was done in Ontario with respect to a railway a number of years ago. Hon. gentlemen will observe that Ontario is not mentioned in connection with the branch lines now before parliament. It must not be argued from this omission that branch lines are not needed or are not necessary in Ontario. It is very important and urgent that branch lines should be constructed in that province, particularly in the mining districts of the north. The present government of the province inherited a legacy of debt from the previous administration that makes it absolutely impossible for them to proceed in the manner they would desire with the development of the northern districts which are so urgently in need of branch lines: In regard to the particular railway to which my hon. friend referred I have a very distinct recollection of what took place in connection with this railway. It is true the enterprise was initiated when a Liberal government was in power in the province. It is equally true that the administration of that day made application to a Liberal government in Ottawa for the usual subsidy of $3,200 a mile. Even that assistance was refused, and it was not until a change of government took place at Ottawa and Toronto that the subsidy desired, and to which they were entitled, was granted to the province of Ontario. But the assistance from the Dominion treasury which that enterprise involved was a mere bagatelle compared with what is contemplated under the present proposals, and which make the Dominion government responsible for the entire cost of building branch lines in Canada.

The hon. member for Brandon (Mr. Forke) tried to make it appear that the bulk of the tonnage carried by the railways of the Dominion is being created in western Canada. The hon. member referred to his own farming experience under which he shipped thirteen or fourteen cars of wheat grown by him. May I point out to my hon. friend that in the constituency that I represent 2,000 car loads of freight have been shipped from one acre alone.

Mr. MILLAR: What was the nature of the commodity?

Mr. SUTHERLAND: It was quarried lime stone.

Some hon. MEMBERS: Oh, oh.

Mr. SUTHERLAND: I might also point out that while we had a market in the United States for much of this product the Fordney-McCumber tariff imposed a duty of a dollar a ton on our stone as a result of which we have lost that market. Futhermore immense quantities of stone are being shipped by the United States into this country, and yet this government refuses to raise a hand to protect Canadian industries. Speaking about the matter of tonnage the hon. member for Springfield (Mr. Hoey) the other night argued about the advantage it would be if we shipped wheat from western Canada to the markets of Great Britain, and in return brought back the products of Great Britain instead of using products of home manufacture. The hon. gentleman also pointed out that it would be, in a sense, an advantage if Russia were to supply Great Britain with her live stock and meat products, and similar commodities because Russia could meet the demand to better advantage than we can in Canada And yet at the same time the hon. gentleman argued that the soil of western Canada was becoming so depleted by reason of the system of farming they are carrying on there that something would have to be done to remedy the condition pertaining in that part of Canada. I agree with the hon. member for St. Lawrence-St. George (Mr. Marler) in his

question: Is it so absolutely important that we should go on and deplete the virgin soil of western Canada by constructing branch lines through that part of the Dominion rather than that we should develop the resources which we have at present, and which are accessible to our present railways? As far as the province of Ontario is concerned, we are discriminated against all along the line. I see that the Minister of Agriculture is in his seat. The estimate for the experimental farms went through the other night, and Ontario got no further consideration than usual. We in Ontario have to carry on most of our experimental farms and pay for them ourselves. At the same time 48 per cent of the customs revenue of the Dominion is paid by the province of Ontario.

I would not have made any remarks this afternoon if it had not been for the statements of the chief whip of the Liberal party (Mr. Kyte). I hope that in the future some recognition will be shown northern Ontario, that fine district, the richest and most promising mineral area in the world. Prospectors have gone in there and spent their money, and all that is necessary now to develop that district is railways. Yet we are not receiving one particle of encouragement from the government, and there is no suggestion that they are going to assist us in this matter. Ontario is held up to the rest of the Dominion, as an example of a province that does things for herself. Well if that is to be the method in Ontario, and if Ontario has to pay for all these things herself, why not apply the same principle to the other provinces as well? I am not accustomed to arguing along this line. I do not believe in provincialism or localizing our efforts, and I think every hon. member of this House should take a broad general view of the questions which come before parliament, and should not be actuated by the requirements of his own particular constituency. I have not taken that view in the past, and I hope I will not have to do so in the future.

In conclusion, I desire to emphasize the propaganda which was carried on since the last session of parliament by hon. gentlemen opposite, who endeavoured to place the blame upon the party sitting on the opposition benches to-day, for their attitude with regard to branch lines. Our position has been justified this afternoon by the statements made by hon. gentlemen opposite much more effectively than could have been done by any arguments we could advance.

Mr. PIERRE F. CASGRAIN (Charlevoix and Montmorency) (Translation): I had no intention, Mr. Speaker, to take part in this debate, but I cannot allow such an occasion to slip by without drawing the attention of the Minister of Railways (Mr. Graham) to certain facts. Last year, on a similar occasion, as well as when in the opposition I represented the county of Charlevoix and Montmorency—I had requested the hon. Minister of Railways to include if possible, in the estimates for the next year, certain amounts for the construction and operation of two branch lines extending respectively from Bay St Paul and St Urbain, and from Murray Bay to Nairn's Falls. The distance between St Paul and St Urbain is nine miles and the branch line would cost about $200,000. An important mine is located in that region which is operated by the Titanium Ore Company, and, during the war, the General Electric Company of the United States, worked with profit a neighbouring mine. I feel certain that, if a branch line was constructed to ensure the necessary service, the present shareholders of the Titanium Ore Company who all belong to the province of Quebec, might carry out very useful work in that region. St Urbain has a national park which the Department of the Interior has specially reserved for fishing and shooting. There also exists, in this locality, a great number of clubs subject to the regulations of the provincial government. I feel convinced that the building of this branch line would have for effect to increase the traffic and attract more capital and more people. This district is also a great farming district from which is exported butter, cheese and other commodities to the various parts of the province of Quebec.

As to the other branch line, between Murray Bay and Nairn's Falls, its construction dates back eleven years, before the building of the main line of the Saguenay railway. The government has not officially, up to this date, taken it over. This branch line is rented for a nominal sum, to a pulpwood company. I am told that it would take about $100,000 to put it in good working condition. A great quantity of cheese and butter is produced in this region and lumber operations are also pursued on a large scale, so that the railway has a great deal of merchandise to transport.

The hon. Minister of Railways gave me as an answer, last year, that the construction and operation by the state of these branch lines were not possible, that the money which he had at his disposal could not be spent in that part f the province because other parts of the country need railways more than the county which I have the honour to represent.

Since the last session of parliament, I have been in touch with the Department of Railways, with the management of the National Railways and among others, with Sir Henry Thornton, president of the railway. I submitted a plan by which, in my opinion, it was possible to operate that railway line, of eight to nine miles in length, in such a way as to allow the population back of Murray Bay to communicate more easily with the village of Pointe-à-Pic. I do not know what may result of this project, but I trust that the Minister of Railways and the board of management of the National Railways may find it possible to acquiesce in the just claims that I stated last year and the previous years and that I again state this year.

There is also the completion of the Quebec and Saguenay railway between Chicoutimi and Murray Bay, for a distance of about fifty-five miles which will have to be undertaken in the near future, if we wish to see the operation of the main line become profitable. I think it is necessary to extend the construction of railways, not only in such a way as to open up new territories, but so as to develop also small localities which are 10, 15 or 20 miles distant from a main railway. The county that I represent was for a number of years completely isolated from the district of Quebec, it could only communicate by boat or schooner with that district during the summer season. The railway which now extends to Murray Bay has only been operating since the last few years. The two great political parties of this country contributed to the construction of this railway. It is the Conservative party which voted certain subsidies and had the railway constructed, but the first grants had been made by a Liberal government, and without these said grants those who were at the head of this undertaking could not have started the work and completed it.

Should I again have this year a little tiff with the Minister of Railways, and be unable to take a favourable view of his leaving out of the estimates the amount requisite for the construction of the two little branch lines that I request for my county and which are very necessary, it is not an excuse for me to oppose the resolutions which he may introduce in this House. I think the hon. minister has been well advised to move a separate resolution for each proposed branch line, so that all these resolutions may be discussed and considered separately, and so also that the House may judge them on their merits and adopt the resolutions relative to the most necessary branch lines, so that they may be built immediately.

When I was elected a member of this House, as the chief liberal whip expressed it a short while ago, I was elected to represent the interests of my county and electors, but I was also elected to represent, not only the interests of my county, of my district and of my province, but in order to have a broader view of things and thus enable me to better judge of the interests of all the provinces, the East, the centre, or the West, in fact the interests of the whole of Canada. And when the Railway Department and the Board of Management of the National Railways state that the construction of these lines is necessary, either in the East or West, I think it is the duty of all the members to support the minister and vote the items for the immediate construction of these railway lines. If some members of this House have in any way expressed personal views inspired by certain reasons which are of special interests to their electors, I think that when it comes to giving their vote, after the explanations given by the Minister of Railways, there will not be one member who sits, Sir, on your right who will vote against the resolutions and bills introduced by the hon. minister.

Mr. GRAHAM: The ex-Minister of Finance (Sir Henry Drayton) made a suggestion in which I am glad to acquiesce. These resolutions can all be discussed with more intelligence after they are placed in the form of a bill; and if I might be allowed to get some of them through, introduce the bill, and have it read the first time, they will then be allowed to stand until we get them all through and I will try to have all the information possible. Much of the discussion this afternoon has been on matters not at all connected with the railways, and I imagine some things have been said to which I could have replied, but I was debarred from doing that because we were not in committee.

Mr. MEIGHEN: I might point out that my hon. friend has made a substantive motion, and he has the right to reply if there is anything he can reply to.

Mr. GRAHAM: There is nothing of my right hon. friend's to reply to. He did not object much.

Mr. MEIGHEN: I did not speak.

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

Mr. GRAHAM: I meant to add, while I was on my feet, that the bills have to go

through the routine just the same as these resolutions, and there will be ample opportunity to discuss all phases of them.

Mr. MEIGHEN: I should like to have the minister make a very full statement as to what investigation has been made by the president and general manager of the system into this project in New Brunswick, and if, first of all, the president and general manager on his own responsibility recommends this project. If so, upon what does he base his recommendation? What is the anticipated earning power of this project? Does he affirm to the government, and is the affirmation in writing—if not, it ought to be, in my judgment—that this road is essential to the system; that he expects it to pay; that from the standpoint of the National system, which it is his business to run and operate, this road ought to be built? In this connection, I want to lay down what, I think, is a principle, that in respect of the management of this enterprise, the directorate should make no recommendation—when I say the directorate, I mean the general manager, because I do not think any of us are disposed to take very seriously a recommendation of the present directorate—on account of considerations that do not bear on the railway corporation itself; that is to say, any recommendation that, say the Canadian Pacific or any other equally well managed concern would not, from the railway standpoint, make. In a word, it is no business of the directorate or the general manager to take into account any consideration save railway consideration. If the government, if parliament, wants to grant a subsidy or any other assistance to any colonization road or anything of that kind, that is the business of parliament; but in the management of the railway those things cannot be taken into account, and I am pretty sure the minister will agree with that principle. On that principle, has the president and general manager recommended this railway, and if so, has he given the government the basis of his recommendation?

Mr. GRAHAM: I might say that in this list there is not a railway that has not been given to us by the Canadian National board. From the discussion I had over this particular line, I might say that the president is strongly in favour of the construction of either one of these lines for purely business reasons.

Mr. MEIGHEN: Either one of them?

Mr. GRAHAM: This resolution takes authority to construct forty-one miles of railway, but if arrangements can be made with the Canadian Pacific, it will be necessary to construct only fourteen miles. This is to facilitate traffic, and the recommendation of the president is altogether from a railway standpoint. Information concerning the traffic is in a measure problematical. What traffic has been done has been done in connection with the Canadian Pacific. What they wish to have now is a connection of their own, so that they can ship directly to the New England states even if they make running rights with the Canadian Pacific Railway. They will have a good many difficulties which are details of operation unless they have a way of getting into the New England states with their own line.

Mr. MEIGHEN: I have heard in connection with this enterprise, as in connection with some others that are in the estimates, that there are some people who would like it because of the spending of money, but I have never yet heard anyone suggest that from a railway standpoint or an earning power standpoint, this could be justified. I notice the minister referred to the directorate. I hope he understands that I am speaking of the president. Has the minister in writing and is he ready to put on the Table the president's recommendation in regard to this road and the reasons therefor? I think the House is entitled to that in every instance. Parliament has the sole responsibility as to what moneys are voted for capital investment, and I have emphasized this principle in the House very frequently. The minister will remember that I sought to emphasize it with all the power I possess in connection with the Scribe hotel. The whole constitutional basis of the National Railways reserves to parliament full initiatory control in respect of capital investment. The responsibility is directly ours and we cannot hide behind the president or anyone else. We want his recommendation, but we equally want his reason for it. I think we are entitled to have it, not by indirect narration, but under his own signature and a copy of it laid on the Table of the House. I would especially like to have it in connection with this resolution, and there are others in regard to which it will be equally necessary.

Mr. GRAHAM: There has been no request or recommendation in writing. The fact that this list of lines was recommended to the

government and explanations prepared with not only the knowledge but the direct acquiescence of the Canadian National Railway board, would, to my mind, form a sufficient reason why we should accept them as his recommendations. There is no question about this line being one of the ones which I discussed at quite some length with the president himself, and both he and the entire staff who are responsible for the management of the road seem to think that this line is necessary for the development of the trade they have in mind between the Maritime provinces and the New England states. A serious difficulty which they have had in shipping pulpwood is in getting their own cars back. One of the chief troubles we have had in the East is that the railways ship out pulpwood and somebody keeps the cars. They are not all kept outside of Canada either. The result is that men who have many cords of pulpwood to ship are wiring to the head office in Montreal; and wiring to me: "We have no cars; the cars are all gone," at a time too, when we are using many cars in the West.

Mr. MEIGHEN: If a car gets out as it does now, why cannot it get back?

Mr. GRAHAM: My right hon. friend has not studied the railway situation very much. They are supposed to head the car for home after it is unloaded, using it, as they usually do, for return freight. But there is no return freight to compare with the outgoing freight of pulpwood. Consequently our cars loiter along the road, and even when they get into Canada, under present conditions, they loiter a long while before they get back to the Canadian National. Sir Henry Thornton and Mr. Gzowski represented very strongly to me that this was one point they had in view, besides others. They believe that the traffic could be improved, to the benefit not only of the railways but of the whole country, if this line or a similar one were constructed.

Mr. MANION: Does the minister say that he has no recommendation in writing for this line from the president?

Mr. GRAHAM: These recommendations are not made specifically in writing. The president and the board of directors get together and discuss various propositions to be submitted to the Minister of Railways for presentation to parliament. They presented me with a list, and there were several other lines discussed not included therein. But they made no formal written request; they simply submit a list and the Minister of Railways proceeds to get the necessary legislation through. There is not a line here that is not on the list given us by the president of the railway and the board of management.

Mr. MacLAREN: Do I understand that one of the reasons given for the building of this branch is the belief that it will facilitate getting the cars back into the country?

Mr. GRAHAM: I did not say that.

Mr. MEIGHEN: I understood the minister to say that.

Mr. GRAHAM: I did not say that it was solely for the purpose of getting the cars back into the country.

Mr. MacLAREN: I presume you would want to get them back.

Mr. GRAHAM: I do not want to be misunderstood. There is more than one railway in Canada. Now, a railway that is crowded for cars and which is a little short of rolling stock may keep another railway's cars upon payment of a small sum per day. This line would facilitate the Canadian National Railways in using its own cars to a far greater extent than it can under present conditions.

Mr. MacLAREN: It is proposed to expend on this line the sum of $2,123,000. That I think is paying pretty well to get the cars back.

Mr. GRAHAM: Getting the cars back, as I have explained, is not the sole reason for building the line.

Mr. MacLAREN: I do not say it is the sole reason, nor would I for a moment misinterpret the remarks of the minister. But that, as I understand from him, is a factor in the building of the line, and it is one that has impressed me, because I cannot see why we should build this line for the reason, among others, that it will enable us to get the cars back. Is the minister aware that there is strong objection even in New Brunswick to the building of this line, and that it is considered by many people in the province that it will be disadvantageous in that it will dislocate the routes of traffic and accentuate transportation north and south rather than east and west as we desire? Perhaps the minister does not know that it is not considered essential at the present time from the point of view of the people

of New Brunswick. And besides that, there are objections being taken to the construction of this branch under any circumstances, the view being held that if the government wishes to make a useful extension in that province it should complete the Valley railway to Grand Falls, there connecting with the Transcontinental and encouraging a direct traffic east and west.

Mr. GRAHAM: A great deal of the traffic does not go very far west. This line does not touch the question of the use of Canadian ports in preference to American ports, and the object in building it is to allow the people of New Brunswick in the vicinity concerned to get their products as quickly as possible to the New England markets.

Mr. MacLAREN: If the minister will consult a map he will see that a good many lines exist now that help the people of New Brunswick to get their products across the border. I understand that we shall have an opportunity of discussing this matter later, and in the meantime I would ask the House to look most carefully into this particular proposal and to watch the criticisms that appear in the papers. If it does so it will find that the line proposed is not considered so important by the people on the ground.

Mr. CALDWELL: I am somewhat surprised to hear my hon. friend (Mr. MacLaren) suggest that this line is not considered important by the people of New Brunswick. This is not a new project; it has been before the House on several occasions since I have been a member of parliament, and even previous to the time I came here. I have never heard anyone in New Brunswick oppose it, nor am I aware that there has been opposition anywhere else. While the leader of the opposition (Mr. Meighen) seems doubtful that anyone has recommended it, I can quote one man who was strongly in favour of it and in whom perhaps he will take more stock than the president of the Canadian National Railways. In the year 1920 when the branch lines question was before the House I brought to the attention of the then Minister of Railways the advisability of building this connecting link. I may say before I go further that this is not a branch line; it is in the nature of a funnel that serves as an outlet for the whole traffic of the Canadian National lines in the Maritime provinces, and it would draw more traffic than any other section of road in that part of the country. Speaking in the House in 1920 Hon. J. D. Reid made the following statement:

> I am familiar with the proposal to which my hon. friend (Mr. Caldwell) refers. About four years ago it was suggested that the government should build that connecting line; it was shown that its construction would result in a great saving in the matter of traffic originating in the lower province and destined to the eastern states. On account of the financial situation action was delayed. There is no doubt that the construction of this line should be carried out.

This was the view that was held by the Minister of Railways in the government of which the leader of the opposition was a member at that time. Further down Hon. Mr. Reid is reported as follows:

> I have no doubt at all that when we get back to normal conditions the government will take up a scheme such as the one suggested and deal with these matters in the way that it is practically understood by the department and the railway officials that they should be carried out.

At that time I urged upon the Minister of Railways the advisability of building this line, and in 1922 I moved a resolution in this House that this should be done as soon as the finances of the country would permit. In reply, the Minister of Railways of that day, Hon. Mr. Kennedy, spoke as follows:

> As my hon. friends have said, this matter has been before the House on two former occasions. I am informed by the board of directors of the Canadian National Railways that they have investigated this project, and while they are willing to admit that from the standpoint of interchange of traffic there is much that might be said in favour of further construction, yet they do not feel that the time is opportune to go on with it at the present time.

There was never any doubt in the minds of either of the ministers of railways of that time as to the advisability and the necessity of undertaking the building of this line. With regard to the other point that has been brought up, namely, the return of cars to the Canadian National Railways, I may say that by reason of the fact that at present the Canadian Pacific railway is the connecting link between the Canadian National railways and the Maine Central, the traffic must all go over the Canadian Pacific route from Fredericton to Vanceboro, from St. John to Vanceboro, and from Woodstock to Vanceboro. The Canadian Pacific Railway and the Canadian National Railways in New Brunswick are competing lines and in some sections of the province they are not far removed from each other. I have in mind something that happened less than three years ago in connection with the return of cars. A certain lumberman was shipping from his sawmill a considerable quantity of lumber to the United States under a contract which required delivery within a certain time. Although the Canadian

National line runs within twenty rods of his mill, and the Canadian Pacific is about nine miles away, he could not get any cars on the Canadian National. That meant that in order to carry out his contract he had to haul his lumber overland to the Canadian Pacific siding. This almost ruined him for he had to pay more than his profit to get his lumber to the railway. The importance of returning cars to where they are needed on competing lines cannot be over-estimated, and if this connecting link had been in operation at that time this man would have been able to load his lumber at his door practically. I know farmers who have had to haul their potatoes and other produce long distances to the Canadian Pacific line. That is one of the reasons why there is such a deficit on the St. John railway—the Canadian Pacific railway has been able to starve it by withholding cars. This, I suppose, is only a matter of good business on the part of the Canadian Pacific, because as a result the traffic has gone to its line. As there will be an opportunity to discuss this matter later, I will not now detain the committee at further length.

Sir HENRY DRAYTON: Mr. Chairman, I think some of the facts I have are not at variance with those of my hon. friend. This connection would connect the St. John road with an American line. The St. John road is not owned by the Dominion government but by the government of New Brunswick, and the receipts go sixty per cent to the National system as lessees for operating and forty per cent to the government of New Brunswick as owners. The traffic is such that the sixty per cent of the receipts does not pay the cost of operation, nor does the forty per cent cover the overhead charges. In fact I think there is an annual deficit of $200,000 which the province has to make up. It is now suggested that the Dominion government ought to pay for the construction of a connecting line with an American road from a line which they do not own, and certainly ought not to own having regard to its earnings. I take it there is no dispute at all between my hon. friend and myself, at any rate down to this point. Then, I think it is also perfectly clear that there has been an agitation in the province for the building of the line, but the project has alwaye been turned down by the provinicial authorities. When Mr. Gutelius was operating the Intercolonial system he made recommendations which looked to a very much shorter construction and easier junction than is now proposed. Later on when the system was managed by the Canadian National Railways the management took the position that as the construction was in connection with the St. John line, its owners should build it and not the Dominion government. I think my hon. friend will find my recollection is entirely right in these particulars. So what my hon. friend is to-day doing is reversing the position taken by the former management—perhaps he will tell us on what grounds. The former management took the position that the property being owned by the St. John company and not by the Dominion government, any addition to it should be made by the owner, not by the lessee, who would get but little out of it and would not improve his own property except during the period of operation.

Mr. CALDWELL: My hon. friend is not quite correct. The railway is not owned by the St. John company, but by the government of the province.

Sir HENRY DRAYTON: Very well, it is not owned by the Dominion government. The former management also took the ground that they could see no immediate operating benefits resulting from the connection that would justify the expense of construction. I would ask my hon. friend whether or not the project formerly considered was not very much smaller than the present one. Take, for example, the line that the hon. member for Victoria and Carleton (Mr. Caldwell) has been talking about. It was a line of twenty-two miles and he asked only $1,000,000 for it.

Mr. CALDWELL: Our share of that connection was twenty-two miles, but we had to get an agreement with another company to build about twenty-odd miles in the state of Maine, over which we would have to get running rights.

Sir HENRY DRAYTON: I am pretty sure the line was to be twenty-two miles, and I believe the estimated cost of construction was $1,000,000.

Mr. CALDWELL: When this twenty-two miles was built we were still twenty-odd miles from the Maine Central line. Another company which had been formed in Maine proposed to build that additional mileage, over which the government would get running rights to the Maine Central. Two roads would be involved, instead of one as is proposed in this bill.

Sir HENRY DRAYTON: Well, we come back to where we started. The only project the former Minister of Railways, Hon. Mr. Reid, was talking about was a line of twenty-two miles in length. While he said some nice things about that project, he would not en-

dorse it. So perhaps my hon. friend will show just on what grounds we have this change of decision by the management. I dare say when he gets a report from the president he will be kind enough to have these grounds set out.

When we were dealing with this matter before we went into committee, I suggested that instead of discussing all the resolutions at great length we should reserve our criticisms, not only on detail but also on principle, until the different bills were brought down and we had full information. My hon. friend nodded his head at that time, but Hansard does not get the nod.

Mr. GRAHAM: Mr. Chairman, I nodded my head while my hon. friend was in the House, and I expressed my thoughts in language when he was out. It is all on Hansard.

Sir HENRY DRAYTON: Thank you.

Mr. MEIGHEN: Before we rise at six I want to submit to hon. members for their consideration my view that in respect of one or two of these ventures, these new enterprises involving the country in so much expenditure, the committee is entitled to see the direct recommendation, with the reasons for it, of the one man to whom the House looks. Others may look to the directorate; if so, they are entitled to do it. For myself I do not look to the directorate at all, and I do not think the people of this country look to the directorate, but they do look to the president. Now, the minister says in effect: "He came to me, or the directorate sent to me"—I do not know whether they did it directly or not; they may have done it through an intermediary—"presented these proposals to me; we discussed them together and I know they favour them." I do not think that is good enough for parliament. Suppose, a year or two years from now, it turns out that this is a total failure, that it does not work out at all, how are we going to hold the president responsible? How do we know that we have precisely his position, precisely what he expects and the conditions of it? He would likely at that time be able to say, "Oh, but I had other things in mind that the government did not carry out;" he would have some way of escaping it. The committee is entitled to the recommendation of the president of the railway in writing, accompanied by his reasons, his expectations, in a word, the basis of his business judgment that this money ought to be spent.

Mr GRAHAM: I think there would be no trouble in the world about getting that. My right hon. friend seems dubious; he does not appear to take anybody's word at all in this House.

Mr. MEIGHEN: Oh, I did not say that.

Mr. GRAHAM: I told him distinctly that the president himself had recommended these lines; that he had been in my office at Ottawa with, I think, three or four members of the directorate. The list of lines was produced there and discussed for a couple of days. They gave me a memorandum on every line and why it should be built.

Mr. MEIGHEN: That is what we want. My hon. friend says, "they"; I would rather it were the president himself instead of the directorate. As long as the president's signature is to it—

Mr. GRAHAM: There is no signature to anything.

Mr. MEIGHEN: Then what good is the memorandum? There is no question here of the minister's veracity in stating what the president wants; that is not the point. In the course of a long conversation between the president and the minister there may have been conditions laid down and other terms mentioned that could not be accurately transmitted to this House. We are entitled to something that we can hold the president to, something that represents precisely what he says, and, in what he says there should be embraced, not only his recommendation, but, as I expressed it before, the business basis for his judgment, so that later on no one will be able to say, "Well, the president's plans were not carried through; the president relied on this and relied on that, consequently he is not to blame for what occurred." That is quite possible if we continue as we are going now. But get the president's views in writing, his recommendation and his reasons, and his expectations, and we are proceeding as we ought to proceed.

Mr. GRAHAM: Did my right hon. friend always do that?

Mr. MEIGHEN: Well, when we came before parliament we certainly put the written data on the table, and we did not refuse anything hon. members asked.

Mr. GRAHAM: There is not going to be anything refused. I am just asking the question.

Mr. MEIGHEN: That is what I ask in this case. I do not mind if the information applies to all the lines; one statement can be given applicable to all and setting forth the details as to each so that we will know

just what the president wants and why he wants it in respect of each of these ventures.

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. 22, to amend An Act to incorporate the Burrard Inlet Tunnel and Bridge Company.—Mr. Clark.

Bill No. 23, respecting the Commercial Travellers Mutual Insurance Society.—Mr. Ryckman.

CANADIAN NATIONAL RAILWAYS

BILLS PROPOSED TO AUTHORIZE THE CONSTRUCTION OF BRANCH LINES

The House again in committee on the following proposed resolution, Mr. Gordon in the chair:

That it is expedient to bring in a measure to provide for the construction of a Canadian National Railway line from Kingsclear, a point on the Saint John and Quebec Railway in the province of New Brunswick, in a generally southwesterly direction, to a point on the St. Croix river, opposite Vanceboro, in the state of Maine; estimated mileage including existing grading, 41 miles; estimated cost, $2,123,000.

Mr. MacLAREN: During the recess I had an opportunity of looking up an editorial that appeared in the St. John Globe of 23rd February last, bearing on the proposal contained in the resolution, and I think it would be of some service if I read it. The editorial is headed "It is not wanted" and then proceeds:

One of the railroad proposals included in the branch line measures presented to parliament last spring and defeated by the Senate, called for construction of a road from a point in New Brunswick to a point on the Maine border, there to establish a connection between the C.N.R. and American railroads. If the proposal, in the same or some other form, comes before parliament during the coming session, it should arouse vigorous St. John opposition. If there were no other reasons for opposition to this measure, it should be sufficient to say that the need for economy makes expenditure of the millions involved an impossibility of the present. But there are other reasons for opposing this railroad construction. The province is already so well gridironed that further railroad construction, except such as is necessary to link up the Canadian National with the Valley road and provide a direct connection with the port terminals, can be left until development justifies their needs. The Dominion government railroad system has connections through St. John and through northern New Brunswick with railroad systems in the United States. To build another line and cut out the traffic that comes through St. John would entail an enormous expenditure without compensating benefits. In its own interests and in the interests of those economies which all recognize as obligatory at this time, St. John should study carefully any railroad proposals so menacing as the construction of another line to the international boundary.

Mr. McMASTER: I should like to point out to one of the leaders of the Conservative party that he has fallen into the same error as the other leaders of the same party and speaks in an almost inaudible voice.

Mr. MacLAREN: I thought the leader of the party was not speaking.

Mr. McMASTER: I said "one of the leaders."

Mr. MacLAREN: I should like the hon. member to hear what I have been reading.

Mr. McMASTER: That is what I want to do.

Mr. MacLAREN: I shall take the necessary means to inform my hon. friend as to what I have been reading. It is an editorial from the St. John Globe and it refers to the proposal now under consideration. The heading is "It is not wanted," and that expresses the view of the paper, and those it represents, regarding the needs of this railroad at the present time. I shall not read the article again but will give a summary that can be more perfectly heard. It is the opinion of the Globe that this railroad is not necessary at the present time, partly on account of the necessity of observing economy and partly because no pressing reason exists for its construction. Another reason given is that there are railroads now running throughout the province extensively, and that routes exist for reaching the United States through other railroads. The editorial also regards it as a disadvantage to dislocate the routes of trade that are now being followed. For these reasons the opinion is expressed that it is undesirable, unnecessary, and extravagant to construct the proposed road at the present time.

Mr. McBRIDE: Can the hon. member state who wrote that?

Mr. MacLAREN: I am not aware who the actual writer is. If there is any disadvantage attaching to the article it is possibly that it emanates from a Liberal paper.

Mr. GRAHAM: My hon. friend is relying on it for his argument.

Mr. MEIGHEN: And my hon. friend seems to think it is the Canadian Pacific Railway.

Mr. MacLAREN: I have not stated how much I rely on it. I am stating what the view of a prominent paper in the province is. I might also state that I myself independently coincide and agree with that view.

Mr. CALDWELL: Is that an editorial in that paper or is it a contribution by some outside person?

Mr. MacLAREN: It is an editorial. It was found in the Globe of the 23rd March. Now to finish this matter of the Globe, I shall take the opportunity of reading a second editorial of the 26th March on the same subject in the same paper, which says:

Something more than two millions of the twenty-eight millions of dollars which the Minister of Railways plans to spend on twenty-six branch line railways are for the construction of a road in New Brunswick from Kingsclear, a few miles above Fredericton, to a point on the St. Croix river opposite Vanceboro. A glance at a railway map of New Brunswick will show how this line will sidetrack St. John. At Kingsclear the branch will run from the St. John and Quebec Railway to the international border, forty-two miles away, there to link up with the Maine Central. The purpose of a connection between the Maine Central at Vanceboro and the Quebec and St. John at Kingsclear is to give the Canadian National a more direct American connection than the present St. John and Bangor route. From Kingsclear it is a shorter and more direct run via the National Transcontinental and the Central across country to Moncton and the North Shore than via St. John. The forty-two miles of railway therefore aims to divert from St. John all the east and westbound traffic which now finds its way through this city en route to and from United States points. It will lessen through traffic on the Canadian National Moncton-St. John line. It will lessen through traffic on the Canadian Pacific St. John-Vanceboro line. It will cut both railroad and terminal workers out of much employment without serving any particular traffic necessity. It is the Harvey-Salisbury Railway proposition in an amended form. St. John vigorously opposed that proposition in the long ago, and St. John should vigorously oppose this new effort to sidetrack this city and port by a large public expenditure, unnecessary at any time and absolutely indefensible at this time.

There is one further observation I wish to make at this moment, and that is that there is a good deal to show that the road that is proposed to be built is a competitive road to the Canadian Pacific. I am not advocating the Canadian Pacific interests, nor am I interested in any way in doing so, but I take it that it is the opinion of the House that at the present time our wishes and our views should be that each railroad should now be allowed to carry on its business, and that it is unnecessary and it is extravagant to build further lines of one system—that is to say of the Canadian National system—so that it may compete with the Canadian Pacific; in other words it is not an essential at the present moment.

Mr. HANSON: I would like to ask the minister why there has been a change in the routing of this proposed line? He will recall that in the bill a year ago it was proposed to divert this traffic to New England from a point about 50 miles above Fredericton, and then in a short direct line to the state of Maine, a distance of about 20 miles. Now it is proposed to run up on the St. John and Quebec railway about 16 miles above Fredericton, and go directly south to the Canadian Pacific railway, and then to have running rights over the Canadian Pacific railway from Harvey to Vanceboro, or else to build an independent line, if that cannot be arranged.

I would like to know what considerations have moved the management and the government—because I take it their interests are identical—in making the proposed change which is a very important one from the standpoint of expense. I think I know that country as well as any man in the House—in fact I think I know it a great deal better—and I have no doubt that the cost of the proposed branch line under this bill is a great deal more than the cost under the bill of last year. At the same time I quite appreciate the fact that if the railway is able to make a proper arrangement with the Canadian Pacific from Harvey westward it will be a considerable saving over the proposal of last year.

Mr. GRAHAM: All I know is that the president and board of directors give me a memorandum which says that it has been practically concluded that this is the best route for the Canadian National railway to take.

Mr. HANSON: Is that from the standpoint of grade?

Mr. GRAHAM: The memorandum does not say. I suppose it is from the standpoint of grade and maybe traffic as well.

In reply to the hon. member for St. John and Albert (Mr. MacLaren): When I was a young man running a newspaper in the village of Morrisburg, I was strong for Morrisburg, and wrote articles almost as learned as this, protesting against the Canadian Pacific railway running east and west in the northern part of the county. According to the argument my hon. friend used, it would take traffic away from the town where I lived, but as a matter of fact I think that the Canadian National management is in duty bound to do what it thinks is best for the Canadian National system, coupled with the service to the people. If the committee is going to take the ground that anywhere the Canadian National proposes to go where it can make a dollar, everything being equal, it must not go there, if there is going to be any competition, but that it is perfectly right to go elsewhere then

the road will lose money. Parliament is holding Sir Henry Thornton and his board responsible for endeavouring to make the Canadian National a success, and shortening hauls, as some branch lines in the West propose to do, will not meet with the approval of towns, and perhaps cities and communities that might be served better locally if this was not done. I will not admit that St. John will be injured a bit, but the Canadian National has a duty to perform to the Dominion of Canada and to itself, and if as my hon. friend says, a short direct route can be made to connect with the United States railways, and an interchange of traffic made which will enable the people of New Brunswick outside of the city of St. John as well as in it to get their products to their markets more quickly and more cheaply, then I think that is the chief concern for the committee to have in mind.

Mr. MacLAREN: I think perhaps the hon. minister is not aware that the main point in both these articles was that at this time, when economy was said to be the ruling motive, there was no urgency justifying the construction of that road for the reason given.

Mr. HANSON: This branch line is viewed in New Brunswick, or, at least, in that portion over which the Canadian National Railways dominates the traffic, as a business proposition, and it is from that point alone that I wish to approach this subject to-night. If you will look at the map of New Brunswick and visualise the traffic there, you will observe that the Canadian Pacific Railway holds sway in a comparatively small portion of the province, namely in the southeastern corner and along the western boundary, and that the balance of the country for the most part is served entirely by Canadian National lines. Ever since the mileage of the Intercolonial was increased by the absorption of the Canada Eastern railway, by the building of the St. John and Quebec railway, and by the absorption of the branch lines of the Intercolonial railway in New Brunswick, that system has gathered in each and every year a very considerable quantity of traffic which has been destined for New England points. During all this period of time, that system has been obliged to hand over the traffic thus originating on its lines, either to the Canadian Pacific railway at the city of St. John, or at the city of Fredericton or at Woodstock in the county of Carleton, or to the Bangor and Aroostook railway at Van Buren, Maine. As long ago as 1912, Mr. F. P. Gutelius, then general manager of the Canadian Government Railways—and I venture to say he is the best man who ever handled the Canadian Government Railways, at least, in my part of the country—conceived the idea of this independent outlet to the New England states for traffic originating on his own lines. I have no doubt, had the war not come, and had Mr. Gutelius continued as general manager of those railways, this independent funnel, so to speak, would have been built long ago.

Let me say, in passing, that as regards the constituency which I have the honour to represent in this House, this question is not a local transportation question at all. It will serve little or no local purpose, and in any event I do not wish to approach the question from that standpoint. I do not, however, believe even the best friend of the project will claim for it that it is for the purpose of serving local traffic conditions. I must confess to the opponents of this project that, viewed from that standpoint, the proposition has no merit; but I say with all sincerity —and I do not care what government brings it forward—that from the standpoint of the management of the Canadian National Railways, this is a business proposition, and while this may not be the time to build it—and about this I can well understand there may be a great diversity of opinion, and I have no quarrel with anybody who takes the view that this is not an opportune time to build it—yet I say that if you were in the position of the management of the Canadian National Railways at this or at any time during the past ten years and had to see your traffic originating on your lines handed over to your keenest competitor in that whole territory, you would sympathise with them in their desire to have an independent outlet for this traffic which has been carried on for more than fifty years into the New England states. I am personally going to ask the committee, aside altogether from the two considerations which I have mentioned, namely the question of local conditions and the question of economic conditions, to view this matter on its merits alone. I believe, if the question is studied, if due regard is given to the problems that confront the management—and I sympathise with them as regards the problems with which I know they have been confronted in the past—this project will receive at least sympathetic consideration at the hands of this House.

I wish we had more information from the minister. I wish the management of the Canadian National Railways had taken us into their confidence and told us the extent of that traffic. I know it is large; I know it must be very large at certain seasons of the

year, and I know there has been trouble for years in connection with the traffic to and from New England lines on account of the question of empties which was referred to this afternoon by the minister. At times, there are embargoes on Canadian cars leaving this country from Canadian railways, and it is possible to make shipments, especially of our forest and agricultural products, only in American cars. We have no direct contact with the Boston and Maine system which comprises the Maine Central system as well. Those cars are shipped down to the management of the Canadian National Railways as empties and they are grabbed up by their competitors, with the result that forest products and agricultural products in great volume cannot be moved because of the competitor having taken those empties which were destined for points on the Canadian National lines and which did not reach them. That has been a source of tribulation to the management of the Canadian National Railways for years past, and during certain seasons of the year the trouble has been very much accentuated. Of course, this is immensely more important to the shippers than it is even to the management of the railway, although they have to be the buffer between the two.

I regret very much that the original project has been abandoned. Perhaps, I can supply to the minister the reason, and I think the reason was this, that in the early days of this project and prior to last year, it was proposed to have this independent connection with New England, not with the existing railways in the Maine territory, but with a proposed new railway which would be built from the Maine boundary west to some New England point, such as Bangor. That project, I understand, unfortunately has fallen through. The promoters of that railway are not able to get their charter renewed. They have been delayed because of the delay on this side of the boundary, and within twelve months they have been denied a renewal of the franchise which they had heretofore. I think it is an unfortunate thing, from the standpoints of economy and of expenditure, that that should have occurred, and I imagine the officials of the Canadian National Railway system have been confronted with a new situation. I hope this matter will be approached from the standpoint of pure business, and if the line is not built this year, I venture to prophesy that it will be built within the near future unless some equitable arrangement can be made with the Canadian Pacific Railway.

While I am on my feet, let me say that we might as well be honest about the matter and admit that from the standpoint of business, the weakness of the proposition is that, to a certain extent at all events, it is a duplication. But I sympathize from the botton of my heart with the management of the Canadian National Railways, because of the difficulties which they have encountered on account of a line already existing which, in part at all events, gets this traffic. I cannot say anything more than I have said at this stage unless I know something more from the minister as to the routing and probable cost. I doubt very much if this road, from what I know of the first twelve miles at any rate, from St. John river south where it has to climb a very heavy watershed, can be built for $51,800 a mile. I have not very much faith in the government railways being able to build economically, especially after the experience we had in New Brunswick with the Transcontinental railway before the war, that railway having cost, I am informed, as much as $110,000 a mile. However, I hope that the present management will not be quite as prodigal as the commissioners of the Transcontinental railway were in New Brunswick during the years from 1904 to 1910. In any case, I doubt very much whether the line can be built for the figure named in the resolution. I want to point out to the minister that there are no expensive bridges to be considered, unless he duplicates or parallels that portion of the Canadian Pacific Railway line between Harvey and Vanceboro. If he does so he will find at least two very expensive bridges to build which will add materially to the cost.

I have endeavoured to be as sympathetic as possible to this proposition, but I should like to know whether it is really the intention of the management to begin operations this year. I can hardly believe it is, and I will tell the minister why, in advance. Up to last night the preliminary survey had not reached McAdam. I came by there last night and I knew that the engineers had been out for several weeks; but I was informed that the preliminary survey was still seven miles short of the westerly terminus, and it occurred to me that if the management were really serious in the intention to go on this year they had delayed that survey altogether too long. It is only fair to say, however, that the men are on the ground and are working towards their objective. I have no doubt, from the nature of the country, that the preliminary survey

can be put through in the course of a week at most, by which time it might be hoped that the bill would go through. Once again, I would ask the minister whether it is the bona fide intention of the management to start this line this year, provided of course the bill goes through.

Mr. GRAHAM: The management informed me in their programme that they would grade this year and lay the track next year.

Mr. ROBICHAUD: I want to make myself clear in regard to this matter and at the same time to ask for some information. I understood last year that the St. John Valley branch line was to be built between Meduncticand some point near Vanceboro, and as I gathered at that time the object was to route the traffic via the St. John and Quebec railway. Every one knows that this railway was built by the province of New Brunswick at considerable cost, the interest alone amounting at the present time to over $260,000. We have no means in New Brunswick to discharge this heavy burden out of the ordinary revenue and therefore it must be added to the provincial debt year after year. If the object of this particular branch line is to route the traffic via that St. John and Quebec railway, then I would commend it as a good business move on the part of the government to build it. But there must be no discrimination against other parts of the province. We all know that the St. John valley has too many railways from one point of view, because there is not enough traffic to keep them going. On the other hand we have no direct outlet to the United States. For the shipping of produce in the north of New Brunswick we have to route fish as well as farm products via Montreal, this entailing a very high express rate as well as a long mileage. In the case of fresh fish we have to put up with a rail freight of 1,100 miles from the Baie des Chaleurs coast to Boston, whereas if this fish were routed via Fredericton right across country it would be of considerable advantage to the people of New Brunswick. If the object of this branch line is to enable the people of the province to ship their produce across country, then I would say that we should support the measure, but if it will not help the eastern coast of New Brunswick, there would be discrimination to a certain extent and I should be inclined to object to the proposition. We have in the county of Northumberland and Gloucester a gap between Tracadie, the terminus of the Caraquet and Gulf Shore railways, and Newcastle. In this stretch of land between the baie des Chaleurs coast and the Miramichi there is a population of some forty thousand. These people are the pioneer settlers of the country and they are industrious and law-abiding; and I believe that in order to make the branch line programme complete, so far as the rights of the Maritime provinces are concerned, a line should be constructed to fill in this particular gap. It is only a matter of 52 miles and the country which the line would cover is fairly level,—a country which could be converted into one of the finest resorts in the Maritime provinces if not indeed in eastern Canada. This locality affords the very best fishing and shooting; I should say that there is no place, from this point of view, that is better anywhere in the world; and in addition to the fishing and shooting facilities that it offers, the district is largely covered by virgin forests which are awaiting development. Altogether, I am strongly of the opinion that preliminary steps at least should be taken at this stage to have this line surveyed with a view to placing it on the programme for actual construction in the very near future.

I repeat, that in order to make the new proposed line a paying proposition it must be so arranged that the traffic from most if not all of the Canadian National lines in New Brunswick shall be routed through the new road. We have the old Canada Eastern road, which connects the Miramichi valley with the St. John regions of Fredericton, and we have the old Intercolonial railway which connects the Baie des Chaleurs coast with the Miramichi valley. Then we have the old Caraquet and Gulf Shore railway which now forms a part of the Canadian National Railways and covers what is perhaps one of the finest districts in the Maritime provinces. But the difficulty is that none of these lines has any connection with United States points, and I believe that by proper arrangements a very paying business could be developed for the Canadian National Railways if proper connections were made. Take for example the Caraquet and Gulf Shore railway in my constituency, a road which was described three years ago as a streak of rust. That road is now one of the most paying branch lines in the whole eastern section. During the first ten months of last year no less than 2,200 carloads of freight were shipped out. A reference to the census figures will show that the population in that section which is purely rural is over 75 persons to the square mile, which, compared with other rural sections of the

Dominion, is one of the most thickly settled with the exception of the Ontario peninsula.

I am absolutely in favour of building branch lines. There are other sections in the province of New Brunswick which require railway accommodation, and the construction of branch lines in those sections should claim the first attention of the government. No doubt a mistake was made in building the Intercolonial railway through the wilderness of the Bartibogue district and the outskirts of the Miramichi valley; it should have skirted the coast of New Brunswick, which being thickly settled would furnish all kinds of traffic. Therefore I hope that this is only a start in the right direction, and that ultimately the necessary steps will be taken to handle the traffic of New Brunswick to United States points via the shortest route, for after all it must be conceded that the American market to the south is essential to the prosperity of the Maritime provinces, and unless we can reach that market with our fish and the products of the farm and forest by the shortest route and at the lowest possible freight rates, we are seriously handicapped. To-day it is a well known fact that the people are resorting more and more to fresh fish in preference to preserved and pickled fish, and our best market for our fish is to be found in the eastern states with Boston as the main distributing point. As I stated on the floor of this House last session, the fishermen on the north shore of New Brunswick are under a great handicap in reaching the Boston market, it requiring fifty hours to land their fish there, while the fishermen of Nova Scotia and the southern shore of New Brunswick can reach that market within twenty-four hours. We are also discriminated against in the express rates we have to pay. But I will deal with this subject at a more convenient time. For the present I can only formulate the hope that the building of this proposed road will be the medium of affording our traffic the shortest route to the United States markets.

Mr. MACDONALD (Pictou): I was very glad to hear the statement made by the hon. member for York-Sunbury (Mr. Hanson) that this project is a purely business proposition. I am sure that if the committee were familiar with the geographical position of the Maritime provinces and the railway situation in relation to the Canadian National and the Canadian Pacific systems as it affects our trade with the United States, they would agree with my hon. friend that this branch line is not only sound from the business standpoint, but is absolutely essential if Sir Henry Thornton is to operate the Canadian National railway in the Maritime provinces with any degree of success.

In the province of New Brunswick we have the Canadian National railway skirting the eastern shores of the province and continuing through my own province, being the only avenue by which Nova Scotia has connection with the transportation systems of the country. There is another line of the Canadian National running from Moncton westerly to St. John. Then another line starting from Newcastle runs to the city of Fredericton, whence my hon. friend from York-Sunbury comes. But the freight of eastern New Brunswick and of the whole province of Nova Scotia which is carried by rail to the United States is tributary to the Canadian Pacific railway. It is all turned over by the Canadian National to the Canadian Pacific at St. John or at Fredericton Junction, and all the efforts on the part of the managers of the Canadian National system to build up their freight business simply enure to the benefit of the Canadian Pacific railway. One can readily see the handicap that is being placed upon the fishermen, lumbermen and farmers of the Maritime provinces through having to pay freight charges not only to the Canadian National but also to the Canadian Pacific and the Boston and Maine.

Sir HENRY DRAYTON: Is there not the usual pro-rating of the through rate?

Mr. MACDONALD (Pictou): My hon. friend is an expert on freight rates; I am not.

Mr. GRAHAM: There is probably a shunting charge.

Mr. MACDONALD (Pictou): Yes, where connections would be made, say at Fredericton Junction. As my hon. friend from Gloucester (Mr. Robichaud) has well said, the fishing products of the Maritime provinces find their principal market in Boston, both winter and summer, that being the great fish distributing centre of the United States. Then again, owing to the building boom in eastern United States during the past two years, the main market for all our lumber has been there; and so in regard to all our other products.

Now, the proposition which is recommended by the management of the Canadian National system is to build the line mentioned in the resolution so that they will have an independent entrance to the United States in connection with the Boston and Maine at

Vanceboro, and so cease being tributary to the Canadian Pacific railway with respect to freight originating on the National lines. To my mind there can be no question about the correctness of the statement made by my hon. friend from York-Sunbury that this is a business proposition. I am sure that my hon. friend from St. John (Mr. MacLaren), or rather his newspaper, is taking entirely too local a view of the situation, for I am sure that the great mass of the people in New Brunswick realize the facts to be as I have stated them, and I am confident they will say that if Sir Henry Thornton is to be held responsible for the successful management of the Canadian National railway system, he cannot, so far as our part of the country at least is concerned, be expected to continue to hand over all his traffic to an intermediate road and his greatest competitor.

Mr. DOUCET: I do not think this proposed branch line is as necessary as the arguments advanced by the last two speakers would seem to indicate. We already have outlets for New Brunswick and Maritime province products to the New England states. There is the Canadian Pacific from St. John to Vanceboro, also the lines along the St. John river to Fredericton and Woodstock and between Woodstock and McAdam junction. The project under consideration might be a fairly good proposition if economic conditions would warrant it, but in view of the present circumstances are we justified in making an initial expenditure of $2,123,000 for the construction of a small branch line between Kingsclear and a point on the St. Croix river opposite Vanceboro? If you do construct from Kingsclear to Vanceboro you cannot handle what traffic may come from the other parts of the Maritime provinces, with the exception of the northern section of New Brunswick.

Mr. MACDONALD (Pictou): What is to prevent the traffic that centres at Moncton going over the Transcontinental to Fredericton and from there down?

Mr. DOUCET: That could be done, Mr. Chairman, but it would be going somewhat out of the ordinary route, because the Transcontinental between St. John and Moncton and Fredericton has not been made much use of. But there are many sections of New Brunswick which need railway facilities much more than the part of the country dealt with in this resolution. For instance, we have a section in the northern part of the province to which reference has been made on various occasions in this House. Referring last year to the question of acquiring the Kent Northern railway, the Minister of Railways (Mr. Graham) said:

> As to the county of Kent, New Brunswick, the Kent Northern railway is twenty-seven miles long, and I quite appreciate the fact that it might just as well have been twenty-seven inches long so far as its operation has been of any practical value. The question has been discussed as to how these people can best be served in that section of the country, because they are not served now. An effort was made by the previous government to take over the Kent Northern, and large petitions have come in from the county of Kent asking that the Moncton-Buctouche line be extended 18 miles to serve a greater number of people outside of the town of Richibucto, or Rexton, I believe, through which it passes. These matters are under consideration, and I have asked the management of the Canadian National Railways, as soon as they can possibly do so, to make a thorough investigation of the situation in the county of Kent, because my hon. friend behind me (Mr. Leger) has made my life miserable for the past three months over the question and will continue to do so, I am afraid, if I do not do something.

That road was built forty-one years ago and during the last few years it has been in the hands of a trust company. This company does not appear to be anxious to make any great capital expenditure. Last year the road was closed down for practically two months and this year it has again been unable to give the required service. I speak on behalf of the country immediately served by that road, representing the large and flourishing parishes of Richibucto, Welsford, St. Louis, St. Ignace, St. Charles and Carleton, with a total population of about 12,000. The conditions which induced my predecessor to impress upon the Minister of Railways the importance of doing something in this connection still exist, and I submit that before spending over two millions of the public money for the building of branch lines in a part of the province which is already well provided with railway facilities it would be much more advisable and much more in keeping with the giving of equal rights to all that something should be done in the matter of that branch line of 27 miles from Kent junction into Richibucto. It is true that some steps have been taken toward getting a line from Buctouche into Richibucto, a distance of 18 miles. Survey parties have been over that route and as a matter of fact that branch railway was promised no later than last December. Be that as it may, I do not intend to insist that that branch line be built if present conditions do not warrant it, but I do insist that on account of the Kent Northern railway from Kent Junc-

9 p.m. tion into Richibucto being one of the only two independent branch lines in the Maritime provinces not taken over and made part of the National Railways in 1919, steps should be taken to acquire that

road either by purchase or by lease, with a view to giving service to the public. The people in that part of the country have been told that economy would have to be practised in connection with the railways. For twenty-eight years the people along the line of the Moncton and Buctouche railway, a distance of 32 miles, had a daily mail service, but since the first of January of this year the Wednesday trip has been cancelled so that to-day there is no connection between Moncton and Buctouche on Wednesday of each week, and therefore no mail distributed on that day. That condition did not prevail in the past except in cases of very stormy weather. The people in that section are entitled to better service. I submit that the vote placed in the estimates in 1919 and again passed as a revote in 1920, but which was unfortunately dropped because the company would not accept the offer made by the government at that time, should again be placed in the estimates this year with a view of acquiring the Kent Northern railway and improving the service in that part of the country, the people of which have been denied their just rights, as was represented to the committee a moment ago by the member for Gloucester (Mr. Robichaud), and also to provide a daily service on the Moncton and Buctouche branch line. And further more we are willing to practise economy, if that is necessary, but it is a very poor consolation to the people in that section of the country to hear so much about economy and then to see branch lines built in sections where those branches will parallel or duplicate existing lines.

Mr. MICHAUD: I wish to say a few words in reference to this branch line proposed to be built in the province of New Brunswick, and I desire to express myself very clearly on the question. In the first place I am opposed to building any branch lines which will be of no benefit to our general railway system. We want to improve our railway system, as far as we can, and make it more productive, and if branch lines are necessary to bring that about by all means let us have them. If the construction of branch lines will not make our railways more profitable then it is useless to spend money for the purpose. With regard to this particular branch line let me tell you that from two-thirds to three-fourths of our lumber products will be shipped over it to the American market, either to Boston or New York. At the present time we are shipping lumber—especially deals, boards and pulpwood—partly over American lines. When this new line has been built it will be available for the shipment of farm products, as well as forest products and fish, and we shall derive some profit from the haul. With respect to the proposal to buy out branch lines of railways I may say that last fall I had the opportunity of travelling over the Kent Northern railway. I sympathize with my hon. friend (Mr. Doucet) in what he has said, but if the government system has not taken over the Kent Northern it is the fault of some people in the county of Kent. The transaction was about to be completed when the shareholders of the Kent Northern railway were advised by some of the hon. gentleman's friends not to give up the railway for a certain amount of money but to wait for a while and it would result in the purchase price being increased.

Mr. DOUCET: What justification has the hon. gentleman for making such a statement as that? Can he advance the slightest proof to substantiate it?

Mr. MICHAUD: I received the information from the late hon. member for Kent. I do not wish to prolong the debate by any remarks of mine. I am convinced the House will see the necessity for building this new branch railway. For the reasons I have given I shall support the resolution.

Mr. MARLER: Before the resolution carries I should like to say one or two things apropos of this particular line. The point which has been raised by the minister, and by others who have spoken, as I understand it, is that the traffic is now routed over the Canadian Pacific railway which arrives at more or less the same destination. Now, as far as I can see, we have not sufficient information before us just at the moment to judge as to what saving there would be in favour of this traffic going over the National line instead of being routed over the Canadian Pacific, or in other words what amount of gain the National line would derive. I wonder if the minister is in a position to give us that information. The point I should like to stress is this: We expect to spend over $2,000,000 on this line. In addition to that there will be an operating expenditure, or deficit, as the case may be. Will the expenditure be justified by the result in giving this line to the National system instead of using the Canadian Pacific railway, temporarily at least.

Mr. GRAHAM: As I understand it the position is this—hon. members with local

knowledge will correct me if I am wrong. If my hon. friend were doing a large business himself scattered through several towns, would he regard it as good business to be the "gathering instrument" as it is called, and hand over the business to some person else after he has gathered it all up?

Mr. MARLER: That all depends.

Mr. GRAHAM: The Canadian National Railway is the gathering system. It gathers the traffic and hands it over to another line. Now, it is altogether in the realm of possibility that everything desired can be accomplished by the construction of fourteen or fifteen miles of railway to Harvey, provided proper running rights can be obtained over the Canadian Pacific.

Mr. MARLER: Precisely.

Mr. GRAHAM: The management have informed me, and from what I know I believe it to be true, that it is purely a business transaction on the part of the Canadian National Railways.

Mr. MEIGHEN: If this committee is going to pass resolutions involving the expenditure of millions of dollars merely on the verbal assurance of the railway directorate that it is a business transaction, we might at least surrender our indemnities. In all fairness to the people of Canada we ought to know something about the transaction. If we are to vote the money we should know, and the country should know, something about the circumstances. We have to answer for the resolution. I have quite a little sympathy, let me say frankly, with the argument presented a moment ago by the hon. member (Mr. Marler). In so far as parliament is concerned—not the railway directorate, although the railway directorate certainly want to look after the business returns from the railway—we should look primarily to service. If the service is being rendered now by the Canadian Pacific railway the question arises should we, in order to divert that business to the National Railway system, build another line at a cost of over two millions. The point just raised by the hon. member is this: We should certainly know first that there is to be an economic advantage instead of an economic loss. I mean to say that on the whole, taking into consideration both roads, there will be an economic advantage and a big one. Because the interest on the cost of construction itself is going to be $140,000 a year. Now, would anybody suggest for a minute that we have sufficient data before this committee showing there is going to be a profit, over and above an expenditure of $140,000 a year in interest on the construction of this road, even to the National railway system itself? We must keep in mind that our object should be to provide service for the people of Canada at the lowest capital outlay, so that the interest charges on the whole investment will be minimized to the greatest possible extent, and secondly so that the Railway Commission will be able to keep rates to their lowest possible level. That is the principle we should follow. We are told that we shall get some traffic from the Canadian Pacific Railway.

Mr. GRAHAM: I did not say anything of the kind, I said we would keep our own traffic.

Mr. MEIGHEN: Very well. The Canadian Pacific is doing the work now and we are to do that instead. That is what I understand. If that is any difference I do not know.

Mr. GRAHAM: It is quite a difference.

Mr. MEIGHEN: Maybe it is. How it affects the vote I am at a loss to understand. If the people are getting the service, and the main object of a railway is service—

Mr. GRAHAM: My right hon. friend and the House will bear that in mind in future debates on the bills. He says that service to the people is paramount to profits on the railway. I would like him not to forget that.

Mr. MEIGHEN: I said a little more than that.

Mr. GRAHAM: The right hon. gentleman said that. He could not have had his ears open when the member for Carleton (Mr. Caldwell) was pointing out that the people were not getting the service because the Canadian National did not have a line of its own. He pointed out that, for lack of cars that were not returned to the Canadian National, he knew of an instance where a man had drawn his produce nine miles to the Canadian Pacific railway, and put his goods into Canadian Pacific cars while the Canadian National was a few rods from that man's door. But in the case of the Canadian National he could not get his cars back. The people were deprived of the service on that account and the Canadian National was deprived of the traffic.

Mr. MEIGHEN: There are lots of cases of that kind, no matter how many railways you have.

Mr. GRAHAM: My hon. friend can put it any way he likes, both from the point of view of the service to the people and the point of view of the management of the railway.

Mr. CALDWELL: I had hoped that this resolution would pass and that the discussion on the general merits would occur on the presentation of the bill to the House.

Mr. GRAHAM: That was proposed and I accepted it.

Mr. CALDWELL: There is one point I wish to stress in regard to this particular road and it is this. At the present time the St. John and Quebec railway is owned by the provincial government of New Brunswick, and is operated by the Dominion government under a lease. The Dominion government turn over 40 per cent of the gross earnings as rental, the management of the railway retaining the other 60 per cent to pay operating costs. Due to the fact that this road is only a gatherer and turns the traffic over to the Canadian Pacific Railway at a point where it would begin to make a profit on the hauling of it, there has been a deficit of somewhere around half a million dollars a year, and that deficit will continue so long as we continue our present policy of turning the traffic over to the Canadian Pacific Railway. I think that 40 per cent turned over to the provincial government on an average lacked $220,000 or $225,000 of paying the interest on the cost of construction of the road. If my memory serves me correctly, the other 60 per cent was about $230,000 a year short of paying the operating cost, simply because we are loading the freight, maintaining the sidings and the service to gather the freight, and turning that freight over to the Canadian Pacific. In former debates in the House I think it was conclusively proven to the House and to the management of the Canadian National Railways who are operating the St. John and Quebec railway that if this outlet is furnished and the Canadian National is allowed to handle the traffic as my hon. friend from Madawaska (Mr. Michaud) would say, and have the long haul, instead of gathering it and hauling it five or six miles and turning it over to the Canadian Pacific or the Bangor and Aroostook to have the longer haul, in place of having a deficit on the St. John and Quebec railway, that road will become a revenue producer, because I have no hesitation in saying it will be one of the best paying roads in Canada. It will be the funnel for the pouring out of this whole traffic gathered on the 2,600 miles of railway in the Maritime provinces and in Quebec. That is the feature that appeals to me.

Mr. MARLER: I would like to know how much is to accrue to the Canadian National Railways by reason of building this line.

Mr. CALDWELL: I have no doubt the minister will be able to give us this information. They will certainly have a record of the amount of freight turned over to the Bangor and Aroostook at Van Buren and at Fort Kent. I think some of it goes over to Fort Kent, hauled across in the winter on the ice when the crossing is good. There will be a record of the traffic turned over at Fredericton, Woodstock and St. John. I imagine these records will be available. I hope they will, and I am convinced they will show a volume of traffic that will assure the success of the road, not only on this length of line it is proposed to build, but the whole of the St. John and Quebec railway that is now starving for empties to handle the traffic. It is not able to get the traffic because its own cars are not returned. I do not know who is to blame for the agreement, but there was an international agreement between the United States authorities and our own railway authorities that cars could be retained for a rental of one dollar a day. I thought it was a very poor arrangement. It has been said in this House that it is as fair for our roads as for the United States roads. Well it would be if there were as many American cars coming into Canada as there are Canadian cars going into the United States. But fortunately or unfortunately as the case may be, there is a very small amount of traffic coming into Canada in American cars. Our exports to the United States in that section of Canada are much greater than our imports from that country. Therefore the cars that are sent out loaded do not always come back full. Like the Dutchman's hens, they come back with their heads and tails off and sometimes missing. Our cars come back in all these conditions, especially our potato cars. This condition is especially hard on the potato shippers. Our potato shippers in New Brunswick have to re-line their cars, and they provide a lining that costs in the neighbourhood of $50 or $60 to make them fit to transport potatoes. They furnish their own stoves and firemen. The fireman is always returned, but the cars that cross the line are not returned. They are taken to other roads that are competing with us, and our farmers are unable to get their produce to market when the market is good. We do not get the service we would get if we had immediate

connection with the American roads that are interested in handling our goods, and we do not get the traffic in return that we should.

Sir HENRY DRAYTON: I do not think my hon. friend is quite clear as to what he was told by my right hon. leader (Mr. Meighen), nor do I think there is much room for debate as to how we should all look upon this subject. I really think we would get along more quickly if we did not have any misunderstandings or misrepresentations, no matter how harmless they are. In the first place I think we should agree—and perhaps it would be just as well if we got this into our heads and thought about it and applied it in connection with the bills—that it ought to be the business of the directors to recommend a remunerative line. In the second place, it ought to be the business, I take it, of this House to see that necessary public service is given to the people, when it can be given, with a reasonable return to the system; in other words the directors are immediately interested in results. We are interested in service, plus results. The minister says that it is the desire of this House to have railways built only where they will not pay and not where they will pay.

Mr. GRAHAM: I did not put it that way.

Sir HENRY DRAYTON: That was the effect.

Mr. GRAHAM: The hon. member says he does not want any misunderstanding. Go right along and do not have any.

Sir HENRY DRAYTON: That is why I want to straighten it out. If he did not say that, what was the object of his reference?

Mr. GRAHAM: My hon. friend is not nearly so stupid as he is pretending to be. He has got a pretty good head at times. What I said was that if parliament was going to take the ground that you must not build railways where they were going to pay because some person might be a little pinched, and that we were only going to allow the Canadian National to build roads where it would be a matter of service without paying, then it could not make a success of the project.

Sir HENRY DRAYTON: That is just what I was saying.

Mr. GRAHAM: No.

Sir HENRY DRAYTON: He said if parliament was going to—

[Mr. Caldwell.]

Mr. GRAHAM: The hon. member put it that I said that parliament was going to do so and so.

Sir HENRY DRAYTON: If parliament was going to do it. You have got the "if" in there all right. You have got the "if" in strong. At any rate that was the idea. That was rather the challenge of my hon. friend in connection with the opposition to these lines. It has not been opposition to bills that has brought the railway situation where it is to-day. It has been acquiescence in railway construction without any proper railway business reason. What we are after to-day is to endeavour to make sure that those lines will pay, and that is all. I think we are also just a little bit concerned in the question of service and the necessities of the public. I do not know how many millions my hon. friends think they can raise in connection with railway construction. They have not yet told us how they are going to raise this money, or what they think it will cost them, or when they are going into the market. But I know this—and I think they will agree with this—that they can spend only a limited amount of money at the present time. As regards the question of service, I am sure that my hon. friend, upon reflection, will agree that if that $2,000,000 can be placed in some part of this country which has no lines at all, but plenty of traffic for railway lines, which has scores of settlers that have no facilities of any kind whatever, it might well be the better thing to see that that $2,000,000 is put where it will do the most good and at the same time yield a return.

So far, we have had two specific reasons given to us as the necessity of this link. If the hon. member for York-Sunbury (Mr. Hanson), who supports this resolution, is correct, this project is not necessary for local purposes. He frankly says that it is not. We have not heard anything very much in that connection except what we have heard from the hon. member for Victoria and Carleton (Mr. Caldwell), but two concrete reasons have been given for the construction of this line. The first one, which was adopted by the minister, was that somebody had to haul his stuff nine miles to the Canadian Pacific because the Canadian National had not a car to receive the load. I wonder if one could imagine a much more ridiculous argument in behalf of an expenditure of $2,000,000, namely, that the Canadian National Railways so run their car distribution that upon some particular day they had no car ready, and somebody had to haul his stuff nine miles to the Canadian

Pacific who look after their car distribution. That is all there is in that.

Mr. GRAHAM: I am glad my hon. friend thinks so.

Sir HENRY DRAYTON: My hon. friend knows very well that that is all there is in it.

Mr. GRAHAM: Rubbish.

Sir HENRY DRAYTON: My hon. friend says: "Rubbish". I would like to ask him why, and perhaps we will get on.

Mr. GRAHAM: You cannot distribute cars if you do not have them, if they are not returned.

Sir HENRY DRAYTON: And you are not going to have cars unless you look after them properly. It is the management that looks after its cars properly that has them.

Mr. GRAHAM: My hon. friend knows better than that.

Sir. HENRY DRAYTON: I think my hon. friend knows better or he ought to know better, because he has had some indirect railway experience, and he ought to know something of the difficulties, and also of the safeguards that have to be and that are taken by railway managements in order to get cars. This argument, however, is seriously put forward in this day of wonderful economy, that because a car was missing and a nine-mile drive had to be taken, this line is to be built. I wonder how many gentlemen in the West would think they were being put in a marvellous position if they could get all their stuff to a railway simply by a nine-mile drive.

Mr. GRAHAM: And leave a railway a hundred yards from their door.

Sir HENRY DRAYTON: I wonder if they would not like to get that. Another thing that is put forward seriously is the question of handing over traffic to the Canadian Pacific. That traffic handed over to the Canadian Pacific, as my hon. friend knows quite well, ought to be routed on through billing at a through rate. There ought to be no difference whatever as regards the shipper, unless there is an excess mileage. If there is an excess mileage, that is another matter—and we have not been told that there is an excess mileage—but that would be one of the reasons for going carefully into that aspect of the question. My hon. friend also knows that the Board of Railway Commissioners, in ordering a through railway billing, as they have the right to do and as they do scores of times, if there is any difference between the systems on the question of rating, can order a pro-rating. My hon. friend also will know very well that in ordering that pro-rate, the system that originates the traffic is given what one might call the weighty end of the pro-rate. It may be that, notwithstanding these things, my hon. friends can show such a shortening of mileage, such a saving of business, that great economies can be effected. Perhaps my hon. friend could shorten this whole discussion very much by reading the memorandum that, he says, the directors have given him. It might cover the whole thing.

Mr. GRAHAM: I think I read it once this afternoon, but I will read it again for my hon. friend's benefit. Seeing that my experience has been only indirect in railways and that I do not know much, and that his has been direct and that he knows a great deal, I will read the memorandum again.

Sir HENRY DRAYTON: Thank you.

Mr. GRAHAM: This is the memorandum:

This is a proposed forty-one miles of grade in 1924 and forty-one miles of track in 1925.

It has been practically concluded that the best location for a direct connection of the lines in New Brunswick with rails in the United States, can be made by a line from Kingsclear to Vanceboro, by a line constructed between these points a distance of forty-one miles, at an estimated cost of $2,123,000. As an alternative the line would be built from Kingsclear over about the same route but only as far as Harvey, 14.5 miles and to connect with the Canadian Pacific railway. Then running rights would be obtained over the Canadian Pacific from Harvey to Vanceboro for use of our trains. Either proposal gives us a direct connection with the Maine Central railway at Vanceboro. This has the advantage over other proposals for a direct link to American lines, in that it will leave our proportions of present rates undisturbed and obviates other railways sharing in the receipts before reaching the Maine Central railway. The new line would be in Canadian territory all the way to the junction with the Maine Central railway. As no arrangements have been concluded with the Canadian Pacific railway for using part of their line, the estimate of cost of construction of the whole distance is included.

The purpose and justification of this line is that it will give a direct interchange between the Canadian National lines and the lines in the United States, without transferring through the Canadian Pacific railway as at present. The main advantage derived from such an arrangement will be in connection with the return of Canadian National cars from American lines as well as the more prompt handling of traffic to and from points in the New England states.

This is subject to a final arrangement being made with the Maine Central railway or some other American railway for interchange of traffic, and the establishment of suitable facilities.

Hon. gentlemen will notice these words:

Then running rights would be obtained over the Canadian Pacific from Harvey to Vanceboro for use of our trains.

It makes all the difference in the world to the Canadian National railways, whether they hand their traffic over to another railway to handle, or whether they get running rights and can give through service with their own trains. The same thing occurred between the Canadian Pacific and the Intercolonial in reference to Halifax. For a time the Canadian Pacific had running rights with its own trains through to Halifax. I do not know whether that is the case now or not.

Mr. COPP: They have that now.

Mr. GRAHAM: A strong effort was made before the Transcontinental was to make a connection with the Intercolonial, that those rights should be established. I never agreed with my friend, the late Baron Shaughnessy, on that point, believing that we should keep it for our government lines at that time. There is a great difference for the Canadian National getting running rights, handling their own traffic upon a mileage basis from handing traffic over to another railway. I cannot for the life of me see that it is anything but the purest kind of business proposition. If it were a private concern there would not be five minutes discussion on the part of the board of directors as to whether it should be done. It would simply be done. A demand has been made that we should have something in writing from the president. Well, I intend to get that. But will my hon. friend tell us now whether he ever got anything in writing from the president of the Canadian National Railways in regard to matters of this kind? Let him look back over the debates and tell the committee whether his government ever gave more information, when lines were to be built, than I am attempting to give. Was the traffic manager ever called on to make a long estimate of traffic returns? I want to be fair with my hon. friend but he is not fair with me. To-day he charged me with not replying to his correspondence. I repudiate that charge emphatically, for if there is a man in this House who is scrupulous about answering his correspondence that man is the Minister of Railways. It may take me a day or two sometimes to have it done but I always reply to letters addressed to me. My hon. friend however asked me for something that never was given by a minister in this House to any other member, and no other member but himself has ever asked for information of the kind he desires to get. He asked me last year to hand over to him a copy of my private estimates containing personal explanations and notations, and he seemed injured because I did not give it. This is something that was never asked for of a minister and never was expected before. The hon. gentleman asked for it, however, expecting to be refused and then he pretended to have a grievance at not having his demand complied with.

Sir HENRY DRAYTON: I wish my hon. friend's memory were quite as good as his faculty for joking. However, no one can take him seriously and so no one feels a bit put out by what he says.

Mr. MACDONALD (Pictou): Be careful.

Sir HENRY DRAYTON: At any rate, I have not so far been perturbed by my hon. friend. What did I want last year? I think the minister has the information that I desired; and if he will look into the matter he will find that I wrote him this year asking to be informed in certain respects. To that letter I never got any answer.

Mr. GRAHAM: Evidently my hon. friend has not been to the post office to-day or he would have got his reply. He wrote a letter and then went away without waiting for the answer. I addressed a letter to him and no doubt it is in his post office box now.

Sir HENRY DRAYTON: This is all very interesting no doubt, but it really has nothing to do with the matter under discussion. The minister wants to know whether we ever got signed statements. We did. I was not content to take any one's haphazard statement and therefore I did get things signed. As to whether they were brought to the House or not I do not know, but they would have been if they had been asked for at the proper time. I do know that I used to get traffic reports and I had my officials convert them into black and white and sometimes they would be at it a week before the matter was discussed at all. But there is no credit for doing that; that is only a matter of ordinary business precaution. The minister says that this is the sort of thing business people would put through in five minutes. Well, the first thing a business man would ascertain in this case would be how much money would be saved by what it is proposed to have done. We have not got that statement yet, and until we get it we are in the dark.

Mr. HANSON: Before the bills are submitted in connection with these various resolutions will the minister obtain from the officers of the Canadian National Railways a concrete statement of the advantages which they believe will accrue to the system in the Maritime provinces if this small connecting

link is built? I am satisfied that with the knowledge I have I could tabulate those advantages in a very succinct, concrete and convincing statement. The minister might also obtain from the officials an estimate of the actual saving in money which they believe will be derived. I am satisfied that a fairly approximate estimate in dollars and cents could be given which would go a long way towards a complete understanding of this matter. I am sincere about this; I am anxious to see the management lifted out of the position in which they find themselves, not altogether as gatherers but the reverse of that. I know some of the difficulties they have been labouring under. May I say to the members of this committee that for ten years I had the honour to be the solicitor for the Canadian Government Railways in New Brunswick and I was intimately connected with the management so that I have some knowledge of the difficulties they had in connection with this matter. I think the minister will probably smooth his own way if he will get the information in regard to some of these things.

Mr. GRAHAM: I have no desire to withhold any information whatever. I am the mouthpiece in parliament of the Canadian National Railways and I myself am anxious to get all the information I can. I do not see how my hon. friend (Sir Henry Drayton) got information when he was not Minister of Railways.

Sir HENRY DRAYTON: We used to finance the railways then.

Mr. GRAHAM: There were things in the railways that my hon. friend did not finance. However, that is merely an aside. Now, if hon. gentlemen will let the resolution pass I shall get all the information possible when the bill is under consideration. I am precluded from discussing the bill until it is in the hands of the committee. I have asked my staff to make a note of the discussion so far as it is relevant and we shall bring down all the information possible so that hon. members will see what we propose to do, and the reasons therefor. I am asking them, however, to omit any reference to the tariff.

Mr. MacLAREN: Will the minister make a note of this request, that an explanation be given as to how the building of 41 miles of railway will enable the Canadian National Railways to get its empty cars returned to Canada from the American railroads?

Mr. GRAHAM: I think I could answer that myself, but I have made a note of the question.

Mr. MANION: The memorandum which the minister read a few moments ago suggested an alternative route of fourteen miles which could be built to connect with the Canadian Pacific Railway, running rights being given over the latter road. So far as I remember, the memorandum did not give the cost of that 14 miles.

Mr. GRAHAM: If the line is about the same as the territory covered by the 41 miles, that is to say, in its physical aspects, the cost I should think would be proportionate to the cost of the 41 miles.

Mr. HANSON: It would be less because there would be no expensive bridges. On the other end of the line you will have to bridge two large rivers, the St. Croix, across to Vanceboro, and the Magaguadavic.

Mr. MANION: The reason I mention it is that according to the remarks of my hon. friend who has just taken his seat (Mr. Hanson) and the hon. minister the fourteen miles under those circumstances would cost something like half a million dollars, possibly $600,000, in contradistinction to the $2,123,000 given as the estimated figure for this line. The minister himself advocated strongly the advantages of getting running rights over the Canadian Pacific railway, if we can. At least, I so understood him. If we can build fourteen miles over the same kind of territory at a cost of $500,000 or $600,000, and obtain running rights over the Canadian Pacific railway which would give us control over our own trains, I hardly see why we should build forty-one miles for the same purpose and at an extra cost of $1,500,000. In regard to the loss of cars to the Canadian Pacific mentioned by the minister, of course we have no figures as to the number of cars which get lost, strayed or stolen through the year. I think the minister might make a note of this also and let us have some idea of the actual number involved.

Mr. GRAHAM: One time last year the United States railways had 20,000 cars in excess of the cars we had belonging to them.

Sir HENRY DRAYTON: Sometimes they have had more than that.

Mr. MANION: But that has very little reference to this case. The hon. minister this afternoon referred to the tardiness of the Canadian Pacific in returning cars to the Canadian National.

Mr. GRAHAM: I was not blaming the Canadian Pacific.

Mr. MANION: I know that, and I cannot say that I do. I presume the Canadian National does the same to the Canadian Pacific, it being a case of tit for tat I suppose. The 20,000 Canadian cars which the hon. minister mentions the United States railroads held at one time last year brings up a point I wish to make. Every session since I became a member of this House seven years ago I have heard that same argument advanced, that we are short of cars because the United States railways have failed to return them. I have no doubt that the statement is absolutely correct. But that fact does not seem to me quite sufficient to justify our spending nearly $2,500,000 on this project. And it may cost a good deal more. I notice that the average estimated cost per mile of these lines is about $30,000, and I venture to say that these estimates are based on pre-war prices, so that this particular branch line instead of costing $2,123,000 will probably cost considerably more, and if we get off with $3,000,000 we may consider ourselves quite happy. So if it is possible to arrange to build this fourteen miles of road, I think it should be done instead of building the forty-one miles.

Another reason for my objecting to the expenditure is that I have noticed all government departments are very prone to spend money. Indeed, departments of private corporations have the same weakness, but they are much more closely checked up by their directors. I have in earlier years had a little experience in municipal government—

Mr. GRAHAM: And in the federal government.

Mr. MANION: It was very slight.

Mr. GRAHAM: Before an election, though.

Mr. MANION: It is very difficult to check up expenditure at such a time. But my hon. friends are doing everything they can to prevent an election in the near future, so they have not that argument available. But, Mr. Chairman, I have noticed that in municipal departments as in Dominion departments the officials are prone to spend. Indeed, we are aware that the Minister of Finance is always trying to keep down the expenditure of the various departments of government. No doubt the railway management would have more pride in possessing a complete system regarding which they could say, "This is our line, and over it will go our cars." But that is not the policy of the committee, because it should be our object not to encourage large expenditures and so increase our deficits; and I am sure that is the object of the minister himself. Therefore I am certain that he will reach the conclusion that so far as we in this corner of the House are concerned, we are simply trying to help him to cut down expenditure. For that reason I think he should hold this resolution up until he has brought forward all the information which we have asked for to-day. Then if we find such information does not really give sufficient reason for the building of this line we should cut it down to fourteen miles, or if this construction is not justified we should cut it out altogether.

Mr. GRAHAM: I agree with my hon. friend that if the same object can be attained by the construction of only fourteen miles of branch line, it will be the better policy to pursue. As to holding up the resolution, my hon. friend will have full opportunity to discuss this and other features in the bill, when all the particulars will be before him. I am not at liberty to discuss the bill until it is in the hands of hon. members, but it will have to go through first and second readings, committee stage and third reading, and there will be full opportunity for discussion. The passing of this resolution would not prevent any discussion which could possibly take place on the bill.

Mr. GUTHRIE: I would point out to the minister that the rules are framed with a definite object in view. The rule which requires a minister to bring a proposal of this kind before the House by way of resolution is for the express purpose of giving us the fullest information and enabling us to discuss it without restriction. When the Speaker is in the chair we know that a member can rise in his place and speak only once. But the framers of the rules in their judgment believed that when certain proposals were made in the House they should be introduced in such a way that the members could speak as often as they desired and make such inquiries as they saw fit for the purpose of obtaining full information upon which to form an intelligent judgment on the proposal before the bill itself is introduced. I think the minister need not hesitate in giving us the fullest information at the present time if we desire it. If he has it before him, surely he can give it and not wait until the bill is under discussion. I have sat here now for two or three hours listening with very great interest to the discussion, and I must say, speaking of course only for myself, that in regard to this particular resolution I am not convinced that

there is any urgency for the construction of the line, I am not convinced that the present is the proper time to undertake it, and I am not convinced that any great hardship is being suffered in the particular locality where it is proposed to build this branch line.

Mr. MACDONALD (Pictou): What evidence would my hon. friend like to have on that point?

Mr. GUTHRIE: The evidence which has struck me very forcibly is an editorial which was read to the House from the St. John Globe, a newspaper which openly supports this government.

Mr. MACDONALD (Pictou): My hon. friend did not catch my point. He wanted evidence as to the necessity of this branch line. The same argument, I suppose, would apply to each and every one of these resolutions. Therefore it might be well for my hon. friend to intimate what kind of evidence he would want on this point. In regard to the article from the St. John newspaper, it is purely a reflection of local sentiment, because the people are afraid St. John will be cut out by reason of the construction of the proposed branch line; it has nothing to do with the merits.

Mr. GUTHRIE: I will go over the evidence I desire to have if my hon. friend will patiently hear me Let me first deal with the points which to my mind are serious, whether they so impress my hon. friend or not. My information, which has been gathered almost entirely from the discussion, is that there is a section of territory in New Brunswick which is already served by one or two railways. The people of that particular section at the present moment have railway service by way of the Canadian Pacific railway and, in part, by way of the Canadian National. It is stated that that service may be improved by the construction of a new line of 41 miles at a cost of over $2,000,000. There is a railroad service there, and as yet nobody has pointed out any great inconvenience to the public. I do not overlook the case mentioned by the hon. gentleman from New Brunswick who spoke of somebody who had to drive nine miles to deliver his freight, but that is the merest kind of incident. Nobody has yet made it clear to me that any great loss or any great inconvenience is being suffered at this time in that section of New Brunswick. It is true we might give greater facilities; it is true we might shorten up the haul a little bit. But we must look over the length and breadth of Canada and see what is requisite in the way of railway construction in other parts of the country. We have on the order paper to-day twenty-six separate resolutions, and I assume they will all be supported by requisitions by the president and directors of the Canadian National Railway system. It is possible that all or nearly all are more or less desirable, but that is not the point which influences my judgment at the present moment. The question is not, are they desirable, but are they necessary at this time? If one fact has been impressed on the minds of the people during the last ten or fifteen years more than any other it is that in railway construction we have gone on in Canada rather ahead of our requirements. We have been guilty, I think, of some over construction in the matter of railways, and we have been guilty at the same time of a large amount of duplication. These conditions exist; they are matters of history now, and we have to face them and their consequences. Now, here is a proposal which looks to me just like another case of duplication. It may be that the service at the point in question is not everything the people of that section would desire or everything we would wish to give them, but under the circumstances which exist in other parts of Canada, does it seem reasonable now to expend over $2,000,000 for what will be another duplication?

My right hon. leader pointed out that the interest on this expenditure would be not less than $140,000 a year, counting the interest on the money during the period of construction. Will there be a saving to the people of Canada or to the National Railways of anything like that amount if this railway is built? Would it be worth, in the convenience to the people of that neighbourhood, anything like $140,000 a year over and above the conveniences or service at present enjoyed in that section? I doubt it very much.

We started out this session in all quarters of the House with very loud protestations with regard to economy. We were going to examine expenditures very critically; the government were going to set us
10 p.m. a good example in that respect. After sitting here a month and after passing estimates for $600,000 for a tower and a million and a half for a building in London, perhaps an amount of over two millions for a branch line railway in New Brunswick looks rather trivial. But it is a very serious outlay, and it is only part of a very large aggregate expenditure which the government now proposes. This money cannot be taken out of the treasury of the com-

pany and applied to these purposes, because the money is not in the treasury, so I assume it will be got in the only place in which we can get money in these sums, that is, on the market, by borrowing. For all the convenience, all the service that this 41 miles is going to afford to the people of New Brunswick, should we go ahead with the expenditure at this time? I am sorry to disagree with my hon. friend from York-Sunbury (Mr. Hanson) on this point. As I read over these resolutions it looks to me as if a good many of them could well be postponed until our financial circumstances are a little better. I have no interest, direct or indirect, in the proposal, but viewing the matter simply as it applies to the whole of Canada, this being only one of twenty-six railway proposals, I am not convinced that the expenditure is warranted at the present time. Very weighty reasons why we should not proceed were given in the article quoted from the St. John Globe. It matters not to me whether St. John expects to be sidetracked or cut off if this line be built; the reasons are given and they are weighty. The writer of that article points out that there is a railway service in that very neighbourhood and that additional services are not at present required. He points out that there is a gridiron of railways at that point in New Brunswick and he asks us to call a halt. When the Minister of Railways says that as a young man he used to write articles for a village newspaper in Ontario protesting against the Canadian Pacific Railway going east and west, I think that is hardly an answer to the weighty reasons urged by the editorial writer in the St. John newspaper. I do not want to commit myself absolutely at the moment; I want to leave myself open in case additional information should come down or additional reasons be given why this road should now be constructed. But as I view the matter I am not convinced of the merits of the proposal; I am not convinced that we should make the expenditure at this time. I do not condemn the proposal out and out; I do not know enough about it to condemn it, but it does seem to me that it might wait for a year or two or three years until we are better able to finance the undertaking.

Mr. STEVENS: As I understand the proposal as put forward by those supporting it very strongly, one of the reasons is that it is desirable that the Canadian National Railways shall have their own outlet to the boundary between New Brunswick and the state of Maine, connecting up with the railway in Maine. Am I right in that?

[Mr. Guthrie.]

Mr. GRAHAM: Yes.

Mr. STEVENS: The minister says that is correct—the desire being that they want to escape carrying their traffic over the Canadian Pacific in New Brunswick to that point; is that right?

Mr. GRAHAM: That is one of the incidents in the argument in favour of the new line.

Mr. STEVENS: When they get to that point on the boundary the railway they connect with in the state of Maine is operated and controlled by the Canadian Pacific Railway Company, so what advantage do you gain?

Mr. GRAHAM: No, it is the Boston and Maine.

Mr. HANSON: It is the Maine Central, owned by the Boston and Maine.

Mr. STEVENS: That is the information I desired to get. I was informed that this line connected in Maine with the Canadian Pacific.

Mr. MACDONALD (Pictou): It is an American owned railway, not the Canadian Pacific.

Mr. STEVENS: That is quite true; all these branches of Canadian railways in the United States are American lines.

Mr. GRAHAM: I think my hon. friend has been misinformed as to the situation.

Mr. STEVENS: It is not operated by the Canadian Pacific?

Mr. GRAHAM: No.

Mr. MANION: I noticed when I drew the attention of the minister to the fact that in the memorandum a fourteen mile alternative branch line was suggested in place of the forty-one mile branch line proposed, that the minister rather thought the proposed suggestion was worthy of consideration—in fact I understood him to say that he had thought of the same thing himself. In view of this I should like to propose to the minister—I do it on my own initiative entirely as a private member—that this bill be held up temporarily until the minister makes inquiry of his own officials, and of the president and directors, or whatever officials there are to make inquiry of, and see if perhaps in the interest of economy, in the interest of the saving possibly of a million and a half of dollars, he cannot bring in a bill for the building of these fourteen miles instead of the forty-one

miles as proposed. I say this in all sincerity. I think the minister would be well advised if he would reconsider the whole proposition, discuss it with his officials, and see if that suggestion could not be worked out. It would certainly be to the interest of the country whether it would be to the interest of the railway or not I do not know, but I am inclined to think it would, judging from the quotations in the memorandum given to the minister by his own officials, where they give the fourteen mile proposition as an alternative, although they do not give details. I advance the suggestion and I think it well worthy of serious consideration that the minister should move to report progress and consult with his officials in regard to the proposition as to whether it would not be in the best interest of the country as a whole to build a fourteen mile stretch of line at a cost of half a million dollars, instead of constructing a stretch of forty-one miles involving an expenditure of $2.000.000.

Mr. GOULD: I should like to ask the minister whether the present resolution provides for our share of the cost of constructing the international bridge across the St. Croix river?

Mr. GRAHAM: I will make inquiries but I understand it covers all the necessary expenditures. My hon. friend (Mr. Manion) made a very interesting suggestion, but when it is a case of doing railway business with railway officials that would be going at the matter in the wrong way to get results.

Mr. HANSON: May I just say for the information of the hon. member (Mr. Manion) that the fourteen miles referred to is part and parcel of the proposed forty-one miles of construction, and it is not an alternative route at all.

Mr. MANION: All the same the proposal to limit the construction to fourteen miles may be a very good alternative. I did not quite understand the force of the remark of the minister in regard to not accomplishing much in dealing as proposed with the members of his department. I repeat, Mr. Chairman, that it may be very advisable for the minister to reconsider this project with a view to bringing in a bill for the construction of the fourteen miles simply. I say it for this reason: From the discussion I have listened to here to-day—and I have listened to it most fairly because until a few minutes ago I said nothing—I have drawn the conclusion that this road is very little wanted. Only two members of the House have really had anything to say in favour of the project—the hon. member for York-Sunbury (Mr. Hanson) and the hon. member for Carleton (Mr. Caldwell) and both of them are directly interested. I presume that if I were affected I would adopt exactly the same attitude as they have adopted. The railway runs through the constituency of the hon. member for York-Sunbury, and just along the border of the constituency of the hon. member for Carleton.

Mr. CALDWELL: It will not touch any point of my constituency.

Mr. MANION: I understood it ran close to my hon. friend's constituency. At any rate the only two hon. members I have heard speak in favour of the project are these two gentlemen. If the bill as it stands at the present moment is gone on with I think there is a very great likelihood of the minister, after due consideration, withdrawing it and introducing a modified bill to construct fourteen miles instead of the forty-one now proposed. I repeat the minister would be well advised if he moved to report progress and later brought in a bill for the construction of fourteen miles, which is really an alternative to what he is suggesting at the present time.

Mr. ANDERSON: I should like to know how far these two proposed lines—the fourteen mile stretch and the forty-one mile stretch—are going to parallel each other.

Mr. GRAHAM: The hon. member for York-Sunbury can explain that, he knows the local conditions better than I do.

Mr. SPENCE: In view of the financial condition of this country there is no justification for constructing a line of railway at such a cost in a district where there is very little business to be done. It may be justified in order to meet the convenience of the people in that part of the country but it cannot be made a paying proposition. There would be more justification for constructing a fourteen mile line from Kingsclear to Harvey than to build the stretch of forty-one miles from Kingsclear to Vanceboro. It would be an absolute waste of money to construct the latter when the former would serve just as well. I cannot see on what grounds the minister makes any such recommendation. It certainly is not justified by financial conditions at the present time. The thing is an absurdity and should not be tolerated.

Sir HENRY DRAYTON: I seriously ask my hon. friend to consider having particular regard to the railway duplication at this particular point, whether we have not already sufficient duplication of railway lines in Canada, and whether the situation would not be met by obtaining running powers over the Canadian Pacific railway. In the case of business originating at St. John on the lines of the Canadian National system for New England points, is it proposed to convey that over the St. John valley line out of St. John to the point of connection?

Mr. GRAHAM: I think it is.

Sir HENRY DRAYTON: Does my hon. friend think for a minute that is a business proposition? I ask him in all seriousness.

Mr. GRAHAM: Why not?

Sir HENRY DRAYTON: Does my hon. friend possibly think of such a thing?

Mr. GRAHAM: I was asking, why not?

Sir HENRY DRAYTON: I am sure my hon. friend has not thought of it seriously. What is the operating ratio down in New Brunswick at the present moment? I think my hon. friend will find that it is pretty heavy.

Mr. GRAHAM: Surely.

Sir HENRY DRAYTON: I think my hon. friend will find the operating ratio is so heavy that he will get nothing through the movement of traffic down at that point. If I am wrong in that conclusion I would like to be set right. We are taking plain, straight business. It is not good business if it now costs $1.10 and you are going to make it cost $1.30. I point out that accepting your own statement, it means that you start a movement from St. John and run it from St. John down to the junction point on the American boundary—

Mr. GRAHAM: My hon. friend wants to be fair, perhaps. He knows the movement from St. John is not the movement of New Brunswick and Nova Scotia. He is confining himself to whatever traffic may originate through St. John. He is not taking New Brunswick or Nova Scotia or Prince Edward Island.

Sir HENRY DRAYTON: I did not ask where everything was coming from.

Mr. GRAHAM: Be fair.

Sir HENRY DRAYTON: I am trying to be fair.

[Mr. Spence.]

Mr. GRAHAM: I do not think the hon. gentleman is trying to be fair.

Sir HENRY DRAYTON: I asked my hon. friend whether the object of this undertaking was to take traffic from St. John to the junction shown on the map laid on the table.

Mr. GRAHAM: I answered that. My hon. friend again intimates that the object of this railway is for the sole purpose of taking traffic that originates in St. John. It is not anything of the kind. It is to make a short route for the traffic from Prince Edward Island, Nova Scotia and New Brunswick to the New England market.

Mr. CALDWELL: A small fraction will go through St. John.

Sir HENRY DRAYTON: I do not know. Perhaps there is some other reason for it but the farther this goes on the worse I think it is, simply because my hon. friend is saying that I say something which I do not say at all. He tells me frankly one of the reasons for the work is to boost St. John.

Mr. GRAHAM: I did not say anything of the kind.

Sir HENRY DRAYTON: I think we will have to get our information right.

Mr. STEVENS: I asked the minister a question, and I do not think he gave me a very frank answer. I pointed out that this proposed line referred to in the resolution connected at the boundary of the state of Maine and the province of New Brunswick at a point called Vanceboro with a proposed American line. I pointed out that that American line—the Boston and Maine—

Mr. GRAHAM: The Maine Central.

Mr. STEVENS: —was indicated on the map to be the Canadian Pacific railway. I have a map published by my hon. friend's own government showing that. Further than that, I am informed—and I think this is perfectly correct—that the Canadian Pacific Railway actually own the majority of stock of the American line. It being an American corporation all our lines operating in the States must operate under American charters. By the construction of the fourteen miles repeatedly referred to by the hon. member for Fort William and Rainy River (Mr. Manion) to the point at Harvey, you can deliver the Canadian National traffic to exactly the same railway, the same operators and save to the country the construction of the difference between 14 and 41 miles.

Mr. MACDONALD (Pictou): The basis of my hon. friend's argument is that the Canadian Pacific control the Boston and Maine railway. I would like to know what authority he has for that.

Sir HENRY DRAYTON: The Maine Central.

Mr. MACDONALD (Pictou): That is controlled by the Boston and Maine, and the Boston and Maine is a national enterprise in which the state has a share. All the Canadian Pacific has to do with it is that it runs from Vanceboro to a point at which its own line diverges north.

Mr. STEVENS: I understand that. It amounts to the same thing. They operate in Maine and in the province of New Brunswick. The Canadian Pacific Railway operate their own trains. The traffic is not turned over to the American corporation, and the Canadian Pacific control a substantial portion of the stock of that railway, or the bulk of it.

Mr. MACDONALD (Pictou): Can the hon. gentleman give us any evidence of that?

Mr. STEVENS: I do not carry it around in my pocket.

Mr. MACDONALD (Pictou): There is no evidence of that.

Mr. STEVENS: I contend there is. As a matter of fact, I think it is shown in the last annual statement of the Canadian Pacific Railway. I do not have it under my hand; I expect to have it in a very few moments, but the map I am referring to shows quite clearly the Canadian Pacific railway in the state of Maine. It is the main thoroughfare of the Canadian Pacific Railway at that point coming into the province of New Brunswick.

Mr. GRAHAM: My hon. friend argues that because the Canadian Pacific Railway is marked on the map to run over the Maine Central, that consequently it controls the Maine Central. Will he say that the fact that the New York car that leaves here on the Canadian National runs over the Boston and Maine for part of the trip to New York constitutes control of the Boston and Maine?

Mr. STEVENS: No, I did not say that. The hon. gentleman is not quoting me correctly at all, but I do say that the Canadian National could deliver their traffic to the Canadian Pacific railway at a point called Harvey, which would require the construction of only 14 miles of railway in New Brunswick instead of 41 miles; in other words, it would save to this country nearly a million and a half dollars, and would accomplish the same result. If we were preventing the accomplishment of the object of this resolution, my hon. friend the minister might be able to present some argument, but we are not preventing that at all. The only thing we are asking is that the minister and the railway company shall not impose upon the country another duplication of about 30 miles of railway where it is absolutely unnecessary. We are not asking the government to forego this proposition altogether. We are not suggesting that a certain service shall not be rendered, but we do suggest that we shall not waste a million and a half dollars in giving identically the same service as could be provided by the construction of the 14 miles. I do not think there is the slightest question of this. It does not follow that because the part operated by the Canadian Pacific Railway is in the state of Maine and is under an American charter with a different name, that it is not controlled by the Canadian Pacific Railway.

Mr. MACDONALD (Pictou): Nor does it follow that it is controlled.

Mr. STEVENS: As a matter of fact I am informed by the best authority that it is controlled by the Canadian Pacific. I would be justified in asking the hon. member for Pictou (Mr. Macdonald), who is rather cross-examining me on evidence, what evidence he has that it is not controlled.

Mr. MACDONALD (Pictou): I come from that part of the country, and I have travelled over the railway long before the Canadian Pacific railway ever used to run from Matawamkeag to Megantic. I know from my connection with that part of the country that the Maine Central runs from Vanceboro where it joins the Boston and Maine, and is controlled by the Boston and Maine Railway, and nobody in my part of the country ever suggested, that the Canadian Pacific Railway owned any part of it.

Mr. STEVENS: Surely the hon. minister does not suggest that that is evidence.

Mr. MACDONALD (Pictou): It is a fact.

Mr. STEVENS: It is not as good evidence as I have in my hand. I produce a map published by the government of which the hon. minister is a member, and I think I have the "edge" on him. As far as reason and logic are concerned, I think my hon. friend is virtually out of court.

Mr. MACDONALD (Pictou): The hon. member is very adroit.

Mr. STEVENS: The minister cannot escape this fact: That by the construction of 14 miles of railway for $600,000 he can give just as good service, and overcome the present handicap, granting there is a handicap, and accomplish just as much as he will obtain by spending $2,123,000 and building 41 miles of railway. My argument is that if we can save a million here or a million there and give adequate and reasonable service, then by all means we ought to save that million and a quarter.

Let me say, at the outset, to my hon. friends to my left that I have a great deal of sympathy with some of the branch line projects on the prairies. I know that some of those lines will pay. I believe many of those lines are necessary, and I am prepared when we come to them, I will not say to support every one of them, but as we get the proper information and examine them, to support those which are really essential. I do not think there should be any proposition of bargaining on these railway bills. That is, my hon. friends have no need to fear on our part that a certain line in the prairies will not be supported if they do not support a certain line in another section of the country. Let these lines stand on their own merits and let us examine them on their merits. If there is real merit in them, let us support them. The very thing that killed the Branch Lines bill last year, the omnibus bill that was brought in covering all those lines, was the government thinking that by putting into the bill in certain lines that were necessary, that were desirable and certain lines that were perhaps warranted, those lines would carry the heavy load of unwarranted and unnecessary lines in other parts of the country. That is the situation. My desire is that we should examine each one of these resolutions, each one of these bills on its merits. I want to say to the minister that there is no reflection on him if, in the examination of these things, there is a marked difference of opinion about certain portions of some of these lines. He should not take this as a personal affront, as a life-and-death matter for the government, as if the government must go out of business and all that sort of stuff, if we do not pass this resolution. Surely we can come into this House and examine these things on their merits. Let me repeat to the minister my request, because I seem to see in his countenance a little softening. That hard look that was there a few minutes ago is passing away. I know my hon. friend, who has had a hard day, was almost losing his temper.

[Mr. E. M. Macdonald.]

Mr. GRAHAM: The only thing that makes an Irishman get a little cross is for some one to accuse him either of being an informer or of not being frank. My hon. friend accused me of not being frank when I gave him an answer.

Mr. STEVENS: I do not think my hon. friend was quite frank with me.

Mr. GRAHAM: Then he has a right to get his fur up again.

Mr. STEVENS: Let me in all seriousness again bring this point to the minister's attention. It does not matter particularly whether the Canadian Pacific actually own that railway or not. The question is that from a point in Maine distant from the boundary, this line is operated by the Canadian Pacific Railway. If we can save $1,500,000 by constructing only the fourteen miles of railway to Harvey instead of the forty-one to Vanceboro, I submit to the committee that we ought to construct only the fourteen miles and save the $1,500,000.

Mr. MANION: I wish once again to emphasize what I started with and what the hon. member for Vancouver Centre (Mr. Stevens) has supported. The reason I do so is because the more I have listened to the discussion of various members of the House, the more I am convinced, and I believe the more the minister is convinced also, that the fourteen-mile proposition is a good one. If you look at any of the railways of this country, you will find what we have all said again and again exists. We have to-day throughout the country too many parallel lines running side by side. Since I made my remarks a few minutes ago, I have looked at a map of the proposed line, and I find that the fourteen-mile line would bring the Canadian National line down to the Canadian Pacific. The forty-one mile line would bring it down on a bias, so that it would gradually get closer to the Canadian Pacific, and at the end of the forty-one miles it would join up with the same American line as that with which the Canadian Pacific joins up. What is the difference between having the Canadian National run fourteen miles and then join with the Canadian Pacific, and run forty-one miles and join with an American line, even supposing the hon. member for Vancouver Centre (Mr. Stevens) is wrong and the Boston and Maine railway is not controlled by the Canadian Pacific? I think it would be better to construct the fourteen-

mile line and connect with the Canadian Pacific. In other words, the memorandum says that we would get running rights over the Canadian Pacific and we would have exactly the same rights. I remember in my own city, the old Grand Trunk Pacific line ran a passenger train into Fort William over the Canadian Pacific. In other words, they had running rights, and there was no more opportunity for them to lose cars with those running rights than if they had their own lines. They ran into the Canadian Pacific station, the same station.

There appears to be a certain amount of false pride that makes whoever is advocating this forty-one mile line advocate it, where a fourteen-mile line would bring about the same results. The minister would be well advised to report progress and to come back to-morrow with a bill, whichever one he wants to bring in. If he gives the question serious thought and does what I think he will do, he will decide that it is in the best interest of the country to bring in a bill for the construction of the fourteen-mile line. Every corporation, every municipality in this country to-day, which finds itself overburdened with capital debt, is cutting down capital expenditure. My own city—and I ask the pardon of the House for mentioning personal things, but I know more about my own city than about others—found a few years ago that its capital debt and taxes were pretty high and that it was spending too much money. It immediately did what I think was the wisest thing in its history. About ten years ago, about the time of the breaking out of the war, it began to cut down capital expenditure, and it has been cutting out capital expenditure as far as possible with very excellent results. That is what every sane business organization is doing; but we have to-day the Canadian National Railways, which has a bigger deficit than any other corporation in the country, coming forward with a proposal to build branch lines at an estimated cost of about $30,000,000, which, I think, will cost in the neighbourhood of $60,000,000 before they are completed.

Mr. MOTHERWELL: Make it a hundred million dollars like last year.

Mr. MANION: If the Minister of Agriculture had the handling of the matter, I am sure he would make it a hundred million dollars, if we are to judge by the past record of his department since he began to handle it. I repeat what I was saying, that the Canadian National Railways should certainly cut down its capital expenditure, the same as other corporations, municipalities, and business organizations in this country are doing. The minister should, I think, report progress, take back his bill and give it further consideration. I am sure if he does, he will bring in a bill for the construction of the fourteen-mile line, and I would not be surprised, if he gives the matter serious consideration, if he does not bring in a bill at all.

Mr. McCONICA: I have listened to this discussion with a good deal of interest. Needless for me to say, my constituency is not particularly interested, but the proposition, as I understand it, now is: Shall we build forty-one miles or fourteen miles of railway?

Mr. MANION: And get the same results.

Mr. McCONICA: And get the same results? That is a thing that we cannot determine. What we want is the result. Supposing we pass a bill to build fourteen miles of railway and our Canadian Pacific friends say: "No, gentlemen, we do not want anything to do with you," and they will make no arrangement, what happens? We have nothing. That is the fact of the matter. If we pass this bill for the forty-one miles of railway, then you are in a position to talk to the Canadian Pacific about a running arrangement over their road. If you do not do that, you will get no running arrangement unless they get the long end of the deal. As this matter appears to me, we have 2,600 miles of railway gathering freight throughout all that eastern country, and they can haul it down to within forty-one miles of the place to which it is to be delivered. There they turn it over to another railroad, and that railroad takes it to its destination. Is it good business to control that freight to its destination? It seems to me that it is and that it is a business proposition. It has been said that we do not receive enough information in this House. Is it anybody's hope that we shall be able to come to a conclusion, each one from first-hand knowledge and from what he knows himself? I do not think so. We must take the judgment of the men who have all the facts, and the experience to weigh those facts.

Mr. MANION: Did my hon. friend not hear the minister read a memorandum from the officers of the railways in which it is stated that they would get running rights?

Mr. McCONICA: They will if they can.

Mr. MANION: No; they say that they will.

Mr. McCONICA: Well, they will before they build the 14 miles; I know that. But they cannot know whether they can get a running arrangement until they are in a position to do business. If they are authorized to build the 41 miles I would suggest that they stand a very much better chance of getting an arrangement in connection with the 14 miles. When that is done then they will be in a position to approach the Canadian Pacific Railway on equal terms. Personally, I cannot hope to be able in this House to come to an intelligent conclusion, from first-hand knowledge and from my experience with railway building, as to whether any of these lines should be built or not. We must depend upon those men who have the experience and know the facts. They are the officers of the Canadian National Railways and we all know that they have recommended that the line be built. It seems to me a sensible thing to make the connection between these two points and I certainly think we have spent enough time discussing this proposition. I hope the resolution will carry.

Sir HENRY DRAYTON: Is it the legal opinion of the government that running rights can be obtained for this line through the Board of Railway Commissioners?

Mr. GRAHAM: I do not know that I am in a position to give a legal opinion on the question.

Sir HENRY DRAYTON: An argument is based upon it.

Mr. GRAHAM: I said, a legal opinion. The Board of Railway Commissioners can give running rights upon terms to be decided by them; but, as has been explained by the hon. member who has taken his seat, if certain conditions are in existence much better terms can be made for running rights between the points under consideration.

Mr. MEIGHEN: I presume the minister will admit that in the interval between last session and the present time he has dropped some 200 miles of contemplated railways.

Mr. GRAHAM: There have been some new lines included while some have been dropped. Some of the lines in the West have been dropped for the reason that, the bill having been thrown out, the territory which the projected Canadian National branch lines would have occupied is now otherwise in use. Consequently those particular lines have had to be abandoned.

Mr. MEIGHEN: Where does that apply?

[Mr. McConica.]

Mr. GRAHAM: I cannot recall just where; there were two or three western lines. I believe there was one route dropped between Kelvington and Tisdale.

Mr. MEIGHEN: What mileage is accounted for by that?

Mr. MOTHERWELL: Sixty-nine.

Mr. MEIGHEN: Sixty-nine, which the Canadian Pacific Railway has filled in the meantime. What accounts for the balance of some 130 or 137?

Mr. GRAHAM: I did not make a memorandum of the mileage that was dropped but I will submit a statement showing that.

Mr. BAXTER: I want to make just a few remarks before the resolution is carried. Some years ago a scheme similar to this was projected by Mr. Gutelius when he was manager of the Intercolonial railway, but this one seems to be in a different location. There seems also to be some question as to whether a shorter or a longer line is necessary or advisable. There is no question as to the power of the Railway Commission in this matter, and in practice there has been no question in regard to the making of arrangements between the two railways. As a matter of fact one exists to-day in relation to a piece of road from Westfield, 15 miles from the city of St. John, over which running rights have been given to what is commonly known as the Valley railway and technically known as the St. John and Quebec Railway. There was no difficulty in making an arrangement in this regard, and the power of the Railway Commission was not invoked. The railways came together, and the Valley railway, which is operated by the Canadian National railways, runs over 15 miles of the Canadian Pacific railway line. Had the Canadian Pacific Railway refused to come to terms the Railway Commission would have done justice in the matter.

I want to emphasize the railway situation as it exists in New Brunswick. Years ago the National Transcontinental line was built with the very best object in view, but it was carried diagonally across the province, and it has not to any practical extent benefited what it was intended to benefit, the port of Halifax in the province of Nova Scotia. Nor has it benefited to any extent the port of St. John in New Brunswick. Because of the location which was selected by the government of that day, it was thought by the people of New Brunswick to be necessary

to build a route to serve exactly the portion of the province which the National Transcontinental failed to serve, and the province proceeded to build the St. John and Quebec railway. As all other enterprises were overtaken by stringent financial necessity caused by the war, so was this one, and the result is that the end near St. John is uncompleted so that the road runs over the Canadian Pacific railway rails for 15 miles. The northern portion is also incomplete, and this road which was intended to have tapped the National Transcontinental at Grand Falls has never reached that point; it stops at a place called Centre. I wonder whether the Minister of Railways has been made aware that the amount of money which he projects for this line to reach the state of Maine would carry the St. John and Quebec railway from the present northern terminus to Grand Falls and connect with the National Transcontinental there. The arrangement which could be made, and which I think in the interests of the country ought to be made, would be to get the Canadian Pacific Railway to accept running rights over the railway which then would be owned partly by the province of New Brunswick and partly by the Dominion of Canada. The Canadian Pacific Railway, instead of running its line through the state of Maine, would get better grades, with a slightly longer route, and would run entirely in the Maritime provinces within Canadian territory. The amount of money that would build this switch line would complete this other road. and the province of New Brunswick, which to-day is carrying a deficit because the road is leased to the Dominion government on a forty per cent arrangement, has to take from its limited revenues $260,000 in order to square the accounts of the railway. It had in the previous year to make up a deficit of $250,000. This will go on, there is no relief in prospect, and yet by the expenditure of the sum that is proposed in the bill to-night the province might be relieved of that obligation and the Canadian National Railway would function as it ought to have functioned from the first in that province—by following the Valley railroad route instead of running diagonally across the province and conferring no benefit upon New Brunswick and practically none upon Nova Scotia. In other words, we are invited to build a line that will be of some service for a certain purpose, but I think only a limited service. If the country has so much money to spare, why does it not spend it in New Brunswick where it would do the most good? If it wants to assist the people of the county of Carleton and Victoria, why does it not do so by carrying the Valley railway to the place it ought to reach? It would do infinitely more good to that section of the country than by building it where the government now proposes. I am sorry we have not to-day a statement from the responsible head of the Canadian National Railways system that the construction of this line is vital to the conduct of the business of the National road. When this is forthcoming I shall not oppose the project, for I would not put my railway opinion against the considered railway opinion of the head of the road. But I want to know very definitely that that is the view of a practical railway man, and that the vote is for railway purposes, not merely a portion of the pork barrel for my own province. I am not going to vote for the expenditure of money in my own province unless I am satisfied of the useful results that will probably flow from it. I am prepared, and have suggested to the government, a mode of spending the money which will indubitably produce useful results and will relieve the province of a very serious burden. The government must take the responsibility of spending this money in which direction they choose; I have made my position as clear as it is possible for me to state it.

Resolution reported, read the second time and concurred in. Mr. Graham thereupon moved for leave to introduce Bill No. 26 respecting the construction of a Canadian National railway line between Kingsclear and the St Croix river in the province of New Brunswick.

Motion agreed to and bill read the first time.

Mr. GRAHAM moved the adjournment of the House.

MR. SPEAKER—EXPLANATION

Mr. SPEAKER: Before the House adjourns I feel in duty bound to give an explanation of the statement I made last night to the hon. member for Brandon (Mr. Forke), as I think it might be misconstrued against him. When I said, "His explanation will serve him with his electors." I meant that his explanation would serve its purpose. I would be sorry if anyone should think that I did not treat the hon. gentleman with courtesy.

Motion agreed to and the House adjourned at 10.50 p.m.

Wednesday, April 2, 1924

The House met at three o'clock.

JUVENILE DELINQUENTS ACT, 1908, AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved for leave to introduce Bill No. 27, to amend the Juvenile Delinquents Act, 1908.

He said: The object of this bill is to give additional jurisdiction to the Juvenile Court, increase the amount of fines and modify the rules of procedure, this being recommended and asked for by various judges of the Juvenile Court and by other bodies.

Motion agreed to and bill read the first time.

COPYRIGHT ACT AMENDMENT

Mr. E. R. E. CHEVRIER (Ottawa) moved for leave to introduce Bill No. 28 to amend and make operative certain provisions of the Copyright Act, 1921.

He said: This bill contains a considerable number of amendments to the Copyright Act, which was passed by the House last session. In view of the manner in which bills are now being printed, I think at this stage it will not be necessary for me to make any lengthy statement as the reasons for these amendments all appear on the notes opposite to the sections to which they refer. Briefly, this bill is introduced for the purpose, amongst other things, of defining certain very important terms that are used in the Copyright Act which are not defined at present. It is also introduced for the purpose of repealing what are known as the license clauses, 13, 14, 15 and 27 of the present act, and which in the minds of the authors or the publishers constitute one of the most arbitrary discriminations against authors. The bill has also for its object the extending and making more operative certain sections of the act which refer to the protection which was intended to be given to the authors, but which is not extended because of the present state of the law. The fourth feature of the bill is to remove this matter from the jurisdiction of the Department of Trade and Commerce and place it under the jurisdiction of the Department of Justice.

I may say this bill in no way affects any of the rights of the printers or those who are engaged in similar industries, but is simply for the purpose of extending the protection which the authors claim in the first place they were entitled to by virtue of this act.

Motion agreed to and bill read the first time.

[Mr. Chevrier.]

QUESTIONS

(Questions answered orally are indicated by an asterisk).

TAXES COLLECTED

Mr. ANDERSON:

What was the cost of collection up to the end of February in each of the years 1921, 1922, 1923 and 1924 of (a) Income Tax; (b) Excise Taxes; (c) Customs Tax?

Hon. Mr. COPP:

Department of Customs and Excise:

It is not possible to state separately the amounts paid for the collection of taxes as distinguished from amounts paid for other customs excise services such as prevention of smuggling, illicit distillation of spirits, work in connection with exports, registration of vessels, administration of laws and regulations of other departments as affecting imports and exports, etc.

Department of Finance:

(a) The cost of collection covers the administration of the Business Profits War Tax Act and the Income War Tax Act as both acts were administered by the same employees:—

1921	(including bonus)	..	$1,643,433 21
1922	"	..	2,006,974 55
1923	"	..	1,818,293 77
1924	"	..	1,721,509 95

CANADIAN MILITIA

Mr. LANCTOT:

1. What is the period of the tenure of appointment of the Chief of Staff, Adjutant General, and Quartermaster General of the Canadian militia?

2. What is the name, the rank, the date of 1st appointment, the date of extension, if any, of the above officers?

3. What is the salary attached to each of these positions, including allowances, in the years 1910, 1912, 1914, 1916, 1920 and 1924?

4. Does the Department of National Defence intend to reduce the salary of these officers and to place the branch of the quartermaster under the branch of the adjutant, with the reorganization of the department?

Hon. Mr. MACDONALD:

1. Four years, which may be extended under the provisions of paragraph 109, King's Regulations and Orders, (Canada) 1917.

2. Chief of Staff—Major-General J. H. MacBrien, C.B., C.M.G., D.S.O., (Appointed 1st January, 1923).

Adjutant General—Major-General H. A. Panet, C.B., C.M.G., D.S.O. (Appointed 1st July, 1923).

Quartermaster General—Major-General E. C. Ashton, C.M.G. (Appointed 1st January, 1923).

3.

Year	Inspector General and Military Counsellor	Inspector General	Chief General Staff	Adjutant General	Quartermaster General	Master General of Ordnance
	$	$	$	$	$	$
1910	.....	6,000 00	6,000 00	4,000 00	4,000 00	4,000 00
1912	.....	6,000 00	6,000 00	4,600 00	4,600 00	4,600 00
1914	.....	6,000 00	6,000 00	4,600 00	4,600 00	4,600 00
1916	.....	6,000 00	6,000 00	4,600 00	4,600 00	4,600 00
1920	12,000 00	.....	6,000 00	7,000 00	7,000 00	.....
18-8-20	*	9,000 00	8,000 00	7,500 00	7,500 00	7,500 00
			Chief of Staff			
1923	.....	**	***9,000 00	7,500 00	7,500 00	****
1924	.....	.....	9,000 00	7,500 00	7,500 00	.....

* Position of Military Counsellor abolished in 1920.
** Position of Inspector General abolished in 1923 and duties absorbed by Chief of Staff.
***Pay and allowances increased to $9,000.00 on assuming duties of Chief of Staff and Inspector General.
**** Position of Master General of Ordnance abolished 1st June 1922. Duties divided between Chief of Staff and Quartermaster General.

4. No.

CANADIAN NATIONAL RAILWAYS—TAXES

Mr. BLACK:

1. Does the Canadian National Railways pay to the state of Maine or to the government of the United States any taxes or fees or license in respect to property or properties formerly belonging to the Grand Trunk Railway Company?

2. If so, what amounts and at what places?

Hon. Mr. GRAHAM:

1. & 2. The Canadian National Railways, operating the Atlantic and St. Lawrence and Lewiston and Auburn Railroads, as Lessees, paid gross earnings taxes to the state of Maine amounting to $80,948.81, and municipal taxes to various municipalities in the state, amounting to $49,044.04 for the year 1923.

HUDSON BAY RAILWAY

Mr. BIRD:

What is the estimated cost of completing that section of the Hudson Bay railway between Mile 332 and Port Nelson?

Hon. Mr. GRAHAM: The management state that, as no recent inspection has been made of the present condition of the grading, no close estimate can be given, but from the best available information an approximate estimate would be $2,000,000 exclusive of railway terminals at Port Nelson, which were dealt with in the reply recently given as to work required at that point. This sum of $2,000,000, however, would not complete the railway for operation to Port Nelson, as to put the line from Mile 332, back to The Pas in proper operating condition would, it is estimated, cost $4,250,000.

CANADIAN NATIONAL SYSTEM—FIXED CHARGES

Mr. ARTHURS:

1. What were the annual fixed charges against the various railways now comprising the Canadian National system, at the time they came under control of the said system?

2. Have such fixed charges increased? If so, by how much annually?

3. Have deficits and advances been charged to capital account? If so, to what amount?

4. What are the annual fixed charges as for January 1, 1924, divided as follows—(a) To the public; and (b) to the government of Canada?

Hon. Mr. GRAHAM:

1. The unified Board of Directors was appointed by order in council of October 4, 1922. Order in council of January 30, 1923, brought into effect the Canadian National Railways Co. Act with present method of control and management. The annual fixed charges as at December 31, 1922, amounted to $59,400,476.11.

2. The increase in fixed charges for the year 1923, amounted to $5,798,847.84.

3. Deficits are charged to profit and loss account annually. Advances from the government to reimburse the management for deficits are charged to cash and credited to Dominion government advances.

4. The annual fixed charges as at December 31. 1923, amounted to $65,199,323.95, divided as follows:

$35,041,380.28 due the public.

$30,157,943.67 due the government.

CANADIAN NATIONAL RAILWAYS—PROFITS, FIXED CHARGES

Mr. SENN:

1. What was the profit on operation of the Canadian National Railways in the year 1923?

2. What were the fixed charges on the Canadian National Railways for year 1923?

Hon. Mr. GRAHAM:

1. Net revenue from railway operation, $20,236,563.09.

2. Fixed charges, 1923, $65,199,323.95.

POLITICAL PARTISANSHIP

Mr. SUTHERLAND:

1. Has Thomas R. Mayberry of Ingersoll been appointed a commissioner to investigate charges of alleged political partisanship preferred against employees in the Civil Service or other employees of the government?

2. If so, when was Mr. Mayberry appointed and under what authority?

3. What investigations have been made by Mr. Mayberry since appointment?

4. What were the findings of said commissioner in each case investigated?

5. What remuneration has been paid or promised to Mr. Mayberry?

6. Is he still acting for the government as a commissioner?

7. If not, when did he cease to act in that capacity?

Hon. Mr. COPP:

1. Yes.

2. Under authority of order in council of January 26, 1923, P.C. 128.

3. Charges of political partisanship preferred against James T. Shields, Augustus Blackburn and John Waldroff, employees on the Cornwall canal.

4. Blackburn admitted the charges and his services have been dispensed with. Shields and Waldroff pleaded not guilty; the evidence in their cases being insufficient to establish charges.

5. Mr. Mayberry has been paid the sum of $188.75.

6. Yes.

7. Answered by No. 6.

CANADIAN NATIONAL RAILWAYS—LAND SALES

Sir HENRY DRAYTON:

With reference to agreements for the sale of lands in western Canada by the Canadian National Railways, how much money was owing by purchasers under agreements which were cancelled at the time of cancellation (a) in the year 1922 and (b) in the year 1923?

Hon. Mr. GRAHAM: (a) 25,397.54 acres, $404,022.00, average per acre, $15.90; (b) 56,716.22 acres, $824,677.36, average per acre, $14.54.

CANADIAN NATIONAL RAILWAYS—FREIGHT ROUTING

Mr. LOGAN:

Is the Canadian National Railway Company carrying out the agreement of one of its predecessors (the Canadian Northern Railway Company), made with the government of Canada, and contained in chapter 20 of the statutes of Canada, 1914, which among other things provides "that at all times hereafter all freight originating on the lines of the Canadian Northern or on the lines of any of the constituent companies, or on any line or lines of railway now or hereafter owned, leased or operated by the Canadian Northern or by any of the constituent or subsidiary companies, their successors or assigns, shall be carried to Canadian ports"?

Hon. Mr. GRAHAM: The management advise that the clause referred to is clause 6 (a) of the agreement contained in the third schedule to chapter 20 of the statutes of 1914, the agreement being a draft form subsequently executed between the Canadian Northern Railway Company and certain subsidiary companies and His Majesty the King. The clause reads as follows:

6. Routing and interchange of traffic.

The Canadian Northern and the constituent and subsidiary companies severally agree with the government as follows:

(a) that at all times hereafter all freight originating on the lines of the Canadian Northern or on the lines of any of the constituent companies, or on any line or lines of railway now or hereafter owned, leased or operated by the Canadian Northern or by any of the constituent or subsidiary companies, their successors or assigns, shall, when destined to points in Canada, be carried over the lines of the Canadian Northern or of the constituent companies or over some other Canadian railway or railways (which term shall include the line operated by the Canadian Pacific Railway Company between Montreal and St. John) and that the through rate on export traffic from the point of origin to the point of destination shall not be greater via Canadian ports than it would be via United States ports; and that all inward and outward ocean traffic shall be carried to Canadian ports, and that the Canadian Northern and the several constituent and subsidiary companies shall not in any matter within their power or control directly or indirectly advise or encourage the transportation of any such freight by routes other than those above provided, but shall in all respects in good faith use their utmost endeavours to further the development of trade through Canadian channels and Canadian ports.

At the time this covenant was drafted, in 1914, the Canadian Northern and its subsidiaries were concerns independent of the government, seeking aid for their joint enterprise from the government. In 1918, on the acquisition by the government of the Canadian Northern capital stock, the companies in question were no longer independent of the government, stock control being substituted for covenant control and the policy of the government as implied in the agreement became and has since continued to be the policy of the management so far as Canadian ports are concerned.

NEW FREIGHT CLASSIFICATION

Mr. CAMPBELL:

1. Has the new freight classification yet been submitted to the Board of Railway Commissioners?

2. Will copies of this classification be available to members as soon as submitted?

Hon. Mr. GRAHAM:

1. No, but it is expected that proofs will be submitted within the next few days.

2. A limited number of proof copies will be available for shippers and others interested on request of Mr. G. C. Ransom, chairman of the Canadian Freight Association.

PENSION STATISTICS

Hon. Mr. MANION:

1. How many complete disability pensions are being paid in Canada to members of the Canadian Expeditionary Forces?
2. What amount is involved in this?
3. How many pensions are paid to widows of men killed in the late war?
4. How much money is involved in this?

Hon. Mr. BELAND:

1. 2,532.
2. $3,233,779 (annually).
3. 8,068.
4. $7,483,555 (annually).

STIRLING POSTMASTERSHIP

Mr. PORTER:

1. Has the postmistress at Stirling, Ontario, resigned her position as such? If so, when?
2. Has a successor been appointed and who?
3. If no appointment has been made what is causing the delay?

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

1. Yes, on August 27, 1923.
2. No.
3. Awaiting reply to request for further information concerning one of the applicants.

QUEENSLAND PROPOSED RAILWAY SIDING

Mr. BLACK (Halifax):

1. Has a railway siding been constructed at Queensland near Hubbards in the county of Halifax?
2. If so, at what date was construction of this siding commenced?
3. What was its cost?
4. Were any reports made by an engineer or engineers on the advisability of placing such a siding at Queensland in the years 1921, 1922 and 1923?
5. Upon whose request was the siding placed there?
6. To whom was the request made?
7. Who authorized the building of said siding?
8. Were tenders asked for its construction?
9. If not, why not?

Hon. Mr. GRAHAM:

1. No.
2 and 3. Answered by No. 1.
4. No, request for siding declined by general freight agent and general superintendent in January, 1922, as business did not warrant construction of siding.
5 to 9. See No. 1.

HOG GRADING

Mr. McCONICA:

1. How many men are employed in grading hogs in the various stockyards of Canada?
2. What salary do they receive?
3. What was the total expense incurred by the department in connection with this work during the past year?

Hon. Mr. MOTHERWELL:

1. Of the 25 hog graders employed by the department, 10 are stationed in the stockyards.
2. 1 at $1,560.00; 1 at $1,800.00; 2 at $1,920.00; 6 at $2,040.00.
3. The total expense incurred, including salaries paid, for the year March 1, 1923, to February 29, 1924, was as follows: Services, $18,450.00; expenses, $1,713.89; total, $20,163.89.

Mr. SUTHERLAND:

1. What number of hog graders are employed by the Department of Agriculture?
2. What amount has been paid in salaries, wages and expenses to hog graders per month, for the six months ending February 29, 1924?
3. How many veterinary inspectors and lay inspectors are employed by the Department of Agriculture in the inspection of animals slaughtered, and meat in the packing houses of Canada?
4. What is the amount paid in salaries and wages to veterinary and lay inspectors, respectively, for the year ending March 31, 1923?
5. What proportion of the hogs graded by government inspectors have been graded as selects?
6. What proportion of the meat from hogs graded by government inspectors slaughtered in packing houses has been graded as selects?
7. Have any changes been made recently in the standard for selects, and if so, what is the present standard?
8. How much more money would have been paid to the producers of hogs since the act went into effect had the maximum weight for selects been 230 pounds instead of 220 pounds?

Hon. Mr. MOTHERWELL:

1. The number of hog graders employed at stockyards and at packing plants, is as follows: 3 district swine graders; 15 swine graders; 7 junior swine graders.

2.

	Salary and Wages	Expenses
September, 1923	$3,810 00	$1,842 17
October, 1923	3,860 00	1,873 53
November, 1923..	3,860 00	1,591 52
December, 1923..	3,860 00	1,447 88
January, 1924	3,980 00	1,536 78
February, 1924	4,150 32	1,398 97

3. Veterinarians, full time, 124; veterinarians, part time, 1; lay inspectors, full time, 102; lay inspectors, part time, 3.
4. Veterinarians, $338,218.50; lay inspectors, $150,184.22.
5. Of the total percentage of hogs marketed in Canada during 1923, 14.97 per cent were graded out as select bacon. This is a total of 370,742.
6. No information available.
7. Yes. Grade 1.—Select bacon: Hogs weighing 170 to 220 pounds W.O.C. at stockyards and abattoirs or hogs weighing 180 to

230 pounds fed and watered at stockyards or at local shipping points and at such other points as may be designated from time to time; of a type and finish indicating suitability for the production of choice bacon. Jowl and shoulder light and smooth; back from neck to tail evenly fleshed; side long, medium depth, dropping reasonably straight from back; ham full, good general finish; no excess fat.

8. It is impossible to answer this question except hypothetically, and hypothetical statements are not of much value. A study of the situation would suggest that farmers would have lost more due to the raising of the minimum weight than they would have gained owing to the corresponding rise in the maximum weight. When the maximum was increased ten pounds the minimum was also raised ten pounds. It is a well known fact that with hogs not bred especially along bacon lines, as was the case with a very large proportion of Canadian hogs, putting them on the market a little on the light side is very certain to give a larger proportion of "selects" than if they were put on the market a little on the heavy side, in which latter case a very large proportion, if not all hogs not especially bred for bacon, would be likely to grade as "thick smooth".

As the breeding of the hogs in the country improves however, possibly quite a material advantage will accrue to the farmers on account of this change in the weights.

SEBRINGVILLE POSTMASTERSHIP

Mr. CHARTERS:

1. Has any change in the postmastership of Sebringville post office been made since the advent of the present government?
2. If so, when?
3. Why was the change made?
4. Who is the present postmaster?
5. Was he recommended by the Civil Service Commission?
6. Did any returned men apply for the position? If so, who?
7. Why was not a returned man appointed?

Hon. Mr. COPP:

1. Yes.
2. December 12, 1923.
3. The commissioner appointed by order in council to investigate the charges of political partisanship made against the postmaster, reported the charges had been proven and he was accordingly dismissed.
4. Clarence F. Otto.
5. Yes.
6. Yes, Joseph Alex Foster.
7. Foster, the only O.A.S. applicant, had not the residence qualification which has been ruled by the Department of Justice to have precedence over the O.A.S. preference.

[Mr. Motherwell.]

INDUSTRIAL DISPUTES INVESTIGATION ACT AMENDMENT

Hon. Mr. STEVENS:

With reference to Bill No. 7, being an act to amend the Industrial Disputes Investigation Act, 1907:

1. Has the Minister of Labour considered whether, in view of the recent decisions of the Privy Council, sections 2 and 3 of this bill are intra vires of the parliament of Canada?
2. Has he referred the question of constitutionality of these two sections to the Department of Justice for an opinion?
3. If so, what was the opinion and the date of the opinion?
4. If not, does the Minister of Labour propose to proceed with the third reading of this bill without taking the opinion of the Department of Justice?
5. Will the government refer the question of the constitutionality of these two sections to the Supreme Court of Canada for its opinion before proceeding with the third reading of the bill?

Hon. Mr. MURDOCK:

1. Yes.
2. Yes.
3. The amendments proposed in the bill were approved by the Department of Justice.
4. Answered by No. 3.
5. The constitutionality of the Industrial Disputes Investigation Act is now before the Appeal Court of Ontario and the decision of that court is awaited. The Department of Justice was represented at the hearings before the court. The amendments to the act embodied in the bill were given third reading on Friday, March 28.

PENSION APPEALS

Mr. CLARK:

1. How many appeals have been entered pursuant to the provisions of section 12 (2) of the Pension Act as amended in 1923?
2. How many of such appeals have been granted?

Hon. Mr. BELAND:

1. 37.
2. None.

PENSIONS AND COST OF LIVING BONUS

Hon. Mr. MANION:

What is the total amount of money involved in the cost of living bonus added to the ordinary pensions of the soldiers and their dependents?

Hon. Mr. BELAND:

(a) To disability pensioners, $4,184,375.00; (b) To dependents as pensioners, $3,679,200.00; total, $7,863,575.00.

DONNACONA-ALLENBY JUNCTION LINE

Mr. PARENT:

1. Does the board of management of the Canadian National Railways intend to remove the railway line from a point near Donnacona to Allenby Junction, being a part of the old Canadian Northern railway?
2. Is it the intention of the said board to build a

branch line from a point near Donnacona to connect with the Transcontinental railway?

3. If so, what is the estimated cost of the proposed branch line?

4. Has a contract been awarded for this work, and to whom?

5. Have the estimates for the said work been voted by parliament, and if so, when?

6. What will be the total length of the proposed branch line?

Hon. Mr. GRAHAM:

1. Yes.
2. Yes.
3. $280,400.
4. Yes, Federal Construction Co., Ltd.
5. Yes, 1923-24.
6. 6·3 miles.

DANIEL MACNEILL—GOVERNMENT TELEPHONE

Mr. GRIMMER:

1. Has the government telephone, in the residence of Daniel MacNeill, Ainslie Glen, Nova Scotia, been removed?

2. If so, for what reason?

3. To what residence was this telephone moved, and for what reason?

4. Is there any way in which Daniel MacNeill of Ainslie Glen, Nova Scotia, can secure telephone service from the government?

Hon. Mr. KING (Kootenay):

1. Yes. July 3, 1923.

2 and 3. To the residence of Mr. A. H. McKay, Warden, Inverness County, East Lake Ainslie, N.S., for the benefit of the service.

4. It is not considered advisable to install any further instruments on this circuit.

UNOPPOSED MOTIONS FOR PAPERS

HOME BANK CORRESPONDENCE

Sir HENRY DRAYTON:

For a copy of all correspondence, petitions, telegrams and documents exchanged between the government or any member thereof or any government official and the management or any of the directors of the Home Bank since January 1, 1922.

DR. R. A. McGIBBON

Mr. MANION:

For a copy of all correspondence between Dr. R. A. McGibbon, superintendent of Soldiers' Civil Re-establishment Hospital at St. Annes, and any member of the government, or between any member of the government and any other party, with regard to the retirement of said Dr. McGibbon from his position as superintendent, together with the reasons for such retirement.

TREATY OF PEACE WITH TURKEY

STATEMENT BY PRIME MINISTER AS TO CANADA'S ATTITUDE

Right Hon. W. L. MACKENZIE KING (Prime Minister) asked leave under rule 39 to move the adjournment of the House for the purpose of discussing a definite matter of urgent public importance, namely, Canada's attitude with respect to the ratification of the Treaty of Peace with Turkey.

Mr. SPEAKER: In a matter of urgent importance, affecting public policy, leave is usually given to the leader of the House to make a statement, by unanimous consent.

And leave having been granted;

Mr. MACKENZIE KING: In this morning's press I observed an associated press despatch from England referring to a discussion which took place in the British House of Commons yesterday on the second reading of the bill to ratify the Treaty of Peace with Turkey and other instruments that were signed at Lausanne on July 24, 1923. The despatch contains what purports to be certain remarks of the right hon. the Prime Minister of Great Britain with reference to Canada's attitude with respect to the ratification of this treaty. I am unable to say whether or not this report is accurate with respect to the representations it contains. I have cabled to England to find out exactly what was stated by the Prime Minister. Pending a reply I might quote the reference which appears in the press. The despatch reads:

> Canada had replied that she would agree to do what the Imperial government did, Canada had raised one or two constitutional points, which he did not think was really meant by Canada to have much substance but was a sort of safeguard. In order to guard against possible extensions of the principle of the treaty without warning being given Canada desired to retain for herself certain rights of decision over and above the Imperial rights of decision.

I think I should place before the House and the country, in a form which will be immediately available in the Old Land as well, should that be so desired, the exact position of Canada in this matter. Perhaps I can do so most effectively by referring to essential features in their chronological order.

The first communication received by the government with regard to the Lausanne conference was with reference to the invitation which had been extended to different countries to be represented. It was in the nature of a despatch dated October 27, 1922, in which it was intimated that the day before invitations had been sent by the governments of Great Britain, France and Italy to the Japanese, Roumanian, Jugo-Slav, Greek and Turkish governments, of both Constantinople and Angora, to send representatives to Lausanne on November 13, to conclude treaties to end the war in the East which would replace the Treaty of Sevres;

that the Russian Soviet government and the Serbian government were also invited to send to Lausanne, at any date to be fixed, representatives to take part in the discussion in reference to the stand which the conference would take at a later stage; that an inquiry was also being addressed by the three governments to the United States, expressing the hope that they would permit the United States representative to be present during the Lausanne negotiations in a capacity similar to that in which the United States representative was present during the negotiations at San Remo in 1920, or to take a more active part in the negotiations, especially on the question of the Straits. According to the arrangements agreed upon with the French and Italian governments, each government was to be represented at Lausanne by two plenipotentiaries. It was intimated that the dominion governments would be kept informed from time to time of the general lines of policy on which the British plenipotentiaries proposed to proceed, and of the course of negotiations; and, in the case of other treaties arising out of the peace, would be invited to sign a new treaty and any separate instrument regulating the status of the Straits. The despatch expressed the hope of His Majesty's government that this procedure would be in accordance with the wishes of the Canadian government.

In reply to the communication I have just referred to the view of the Canadian government was expressed pretty much as follows: It was stated that the government had no exception to take to the course pursued by His Majesty's government with respect to the conclusion of a treaty to end the war in the near East, but that as it was proposed to keep our government informed from time to time of the general lines of policy upon which the British plenipotentiaries proposed to proceed, and of the course of negotiations, and to invite us to sign a new treaty and any separate instrument regulating the status of the Straits, we deemed it advisable to avail ourselves of the earliest opportunity to inform His Majesty's government that in our opinion the extent to which Canada might be held to be bound by the proceedings of the conference or by the provisions of any treaty or instrument arising out of the same, was necessarily a matter for the parliament of Canada to decide, and that the rights and powers of our parliament in these particulars must not be held to be affected by implication or otherwise in virtue of the information with which our government might be supplied.

[Mr. Mackenzie King.]

That communication was sent on October 31, 1922. We received a little later a communication from the British government, in which it was intimated that the British government fully understood that it would be the desire of the Canadian government that any treaty with Turkey. which might result from the conference, should be submitted to the Canadian parliament for approval before His Majesty was advised to ratify it. The despatch further stated that it was the desire of the British government that we should be kept fully informed of the developments of the conference, and that the British government would endeavour to send us full details. That seemed to necessitate making our position more explicit and another despatch was sent to the British government on November 25, 1922. In that despatch it was stated that the Canadian government had not expressed a desire to have any treaty with Turkey, which might result from the conference, submitted to the Canadian parliament for approval before His Majesty was advised to ratify it; nor did we wish to be understood as preferring any such request. We had intended to make it clear that we took no exception to Canada not being invited to be represented at the conference, but that while we had not been invited to participate we had been informed that we should be invited to sign a new treaty and any separate instrument regulating the status of the Straits, we wished to make it perfectly clear that in our opinion the extent to which Canada might be held to be bound by the proceedings of the conference, or by the provisions of any treaty or other instrument arising out of the same, was necessarily a matter for the parliament of Canada to decide. We deemed it of the utmost importance that there should be no misunderstanding as to our position with respect to Canada's obligations in this and kindred matters and we stated that in our opinion parliament would desire, as respected the treaty with Turkey and any other instrument arising out of the Lausanne Conference, to reserve to itself the right to decide, on the merits of the case, what action on the part of the people of Canada was right and proper. In this connection we asked whether we might have authority to place before parliament all the information with which we might be supplied from time to time. The British government intimated in respect to this request that as the conference was likely to be proceeding for some time, it was not desirable that this information should be made public. It was suggested that possibly all that was necessary was that

parliament should be supplied with a copy of the treaty itself as soon as it was signed.

A further communication was received with respect to our signing of the treaty, saying that the British government had assumed that Canada would wish to follow the precedent set at Versailles and, in accordance with that precedent, authorize some one to sign the treaty on Canada's behalf. The British government having made that representation, we felt it imperative to point out that the procedure which was being followed with respect to Lausanne was not similar to the procedure which had been followed in the case of the Treaty of Versailles or of the subsequent treaty at Washington, inasmuch as both in the case of Versailles and in the case of Washington the Canadian government had been invited to participate in the conference and had been asked to appoint a representative. Such representative had been appointed and duly authorized to represent the country at the conference, and to sign in the name of Canada. We made it clear that the procedure referred to had never been suggested or taken; nor indeed was it possible for us to take it since we had not been invited to participate and that inasmuch as the first stages, upon which the last depended, had been omitted, it was not possible to follow the last stages of procedure adopted at the conferences at Versailles and Washington. Our position in that regard was set forth substantially as follows—I am referring now to the reply to the despatch which intimated that it was expected that we would wish to follow the procedure laid down and adopted at Versailles; we replied that the procedure in respect of the Paris Peace Conference, which was followed, also, later on in connection with the Washington Conference on the Limitation of Armaments, was the procedure to which we understood reference was being made. As to Canada's participation in those conferences we pointed out there were four separate and distinct essential stages, all of importance in the negotiation, signature and ratification of treaties affecting Canada. These stages were, first, the direct representation of Canada at the conferences upon which treaties were drafted, and participation in the proceedings of the conferences by Canada's representatives, each representative holding full powers, signed by His Majesty the King, in the form of letters patent, authorizing him to sign—

> for and in the name of His Majesty the King in respect of the Dominion of Canada—

—any treaties, conventions or agreements, the Canadian government having by order in council sanctioned the issuance of these full powers by His Majesty; second, the formal signing of treaties on behalf of Canada by the plenipotentiaries so named; third, the approval by the parliament of Canada of the treaties thus signed on behalf of Canada; and, fourth, the assent of the government of Canada to the final act of ratification, by His Majesty the King, of the treaty signed on behalf of Canada and approved by the parliament of Canada. We pointed out that the British government was quite right in assuming that, as regards the treaties in which Canada was supposed to have a direct or immediate interest, the procedure here outlined was the one which our government would wish to follow, and that in the case of the main political treaties concluded since the war, in general the rule seemed to have been followed that wherever the dominions had a direct or immediate interest the procedure was shaped to include their participation in the proceedings and their signature of the treaties. That in the case of the conference at Lausanne, the fact that a like procedure had not been followed with respect to representation and participation by Canada had been regarded by us as evidence that, in the opinion of the countries by whom invitations to the conference were extended, Canada could not have been deemed to have that direct and immediate interest which she was supposed to have had in the conferences at Versailles and Washington. In saying this we made it quite clear again that with respect to the course pursued by the Lausanne conference we had no exception to take; with respect to the procedure, however, we pointed out that it must be apparent, quite apart from any action or representations on the part of the government of Canada, that a different procedure had been followed at Lausanne than was followed at Versailles and Washington. Therefore under the circumstances we did not see how we could be expected, in the case of a new treaty or of any separate instrument regarding that treaty, to follow the procedure adopted in the case of the treaties concluded with Germany, Austria and Bulgaria.

That despatch was sent December 31, 1922. Through the subsequent year we received intermittent accounts of what was taking place at Lausanne, but no further reference to the question of our signature or ratification. This year, shortly before the opening of parliament, we received a communication asking if the Canadian government would concur in the ratification of the treaty which had been signed.

Mr. MEIGHEN: Before the Prime Minister proceeds further—was there any reply to the message of December 31, 1922?

Mr. MACKENZIE KING: No, nothing was said further with respect to our position. As I say, we were asked, shortly before the present session of parliament opened, whether the government would signify concurrence in ratification of the treaty and the conventions in question. To this communication we replied: That as Canada had not been invited to send a representative to the Lausanne conference and had not participated in the proceedings there, either directly or indirectly, and for this reason was not a signatory of the treaty, our government did not feel that it was in a position to recommend to parliament the approval of the peace treaty with Turkey and the conventions thereto, and that without the approval of parliament we did not feel that we were warranted in signifying concurrence. Having made our own position thus clear in all its bearings we added, in order that it might not be misunderstood in other ways, that with respect to ratification we would not take exception to such course as His Majesty's government might deem advisable to recommend. We pointed out that our position appeared to be in harmony with the resolution passed at the recent Imperial Conference respecting the negotiation, signature and ratification of treaties, the provisions thereof with reference to signature being as follows: First concerning such as impose obligations on one part only:

(a) Bilateral treaties imposing obligations on one part of the Empire only should be signed by a representative of the government of that part. The full power issued to such representative should indicate the part of the Empire in respect of which the obligations are to be undertaken, and the preamble and text of the treaty should be so worded as to make its scope clear.

As to ratification the concluding paragraph, 2a, reads:

The ratification of treaties imposing obligations on one part of the Empire is effected at the instance of the government of that part:

And secondly, such as impose obligations on more than one part of the Empire:

(b) Where a bilateral treaty imposes obligations on more than one part of the Empire, the treaty should be signed by one or more plenipotentiaries on behalf of all the governments concerned.

2 (b) The ratification of treaties imposing obligations on more than one part of the Empire is effected after consultation between the governments of those parts of the Empire concerned. It is for each government to decide whether parliamentary approval or legislation is required before desire for, or concurrence in, ratification is intimated by that government.

We take the position that, not having been invited to the Lausanne conference, not having been represented there, not having, for the reasons that I have mentioned, signed the treaty, the treaty does not impose obligations on Canada, and that the parts of the Empire on which it does impose obligations are the only parts that should be expected to sign and ratify. As we did not regard the treaty as imposing obligations on Canada, we did not feel that it was necessary to submit the treaty to parliament for its approval, or in its name to signify concurrence in its ratification. A copy of the treaty itself, as hon. members will recall, was laid on the Table on one of the opening days of the session.

Mr. MEIGHEN: Will the Prime Minister lay on the Table the correspondence of which he has given us a summary and, as well, any relevant correspondence that has passed between the two governments?

Mr. MACKENZIE KING: I have no objection to laying on the Table the correspondence which I have read, except this. As my right hon. friend knows, the British government prefers that despatches of the kind in question should be communicated to parliament in indirect language rather than in the direct language in which they are couched. I have given to parliament all that is relevant, all the essential features of the entire correspondence that bears on the matter. So far as I am aware I have not omitted anything, neither have I added anything. I shall be very glad to let my right hon. friend see the correspondence himself.

Motion withdrawn.

On Notices of Motion being called:

Mr. GOULD: Mr. Speaker, might I ask,—

Mr. SPEAKER: Order. We have not reached the Orders of the Day. It was only by unanimous consent that the Prime Minister was allowed to make his deliverance on a question affecting public policy.

PROPORTIONAL REPRESENTATION

TRANSFERABLE VOTE IN MULTIMEMBERED CONSTITUENCIES

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

Whereas redistribution as outlined by the Prime Minister at the last session of parliament has not yet been carried into effect;

And whereas the principle of the transferable (or alternative) vote has been accepted by parliament, and the Prime Minister has promised to embody it in the Dominion Elections Act during the present session;

And whereas there have been several multimembered constituencies in the past and may also be after the

impending redistribution;

Therefore be it resolved, that, in the opinion of this House, the Dominion Elections Act be so amended as to use the transferable vote to secure, as far as possible, proportional representation in such multi-membered constituencies as may be provided for in the next redistribution.

Mr. T. L. CHURCH (North Toronto): Mr. Speaker, I rise to a point of order. May says that it is not permissible to anticipate the action of parliament or of a committee appointed by parliament, or to introduce a resolution dealing with a matter already referred to a committee of the House. A few nights ago the House dealt with a proposal with regard to representation and redistribution; therefore I would like to ask if this resolution is in order.

Mr. SPEAKER: I may say to the hon. member at once that if the committee were already appointed his objection would perhaps hold. But the committee is not yet appointed, so that I think the resolution is in order.

Mr. MEIGHEN: I do not see what the committee has to do with it. The matter perhaps not of the whole resolution but of the larger part of it is before parliament now in the form of a bill. The appointment of a committee does not affect the point of order. It might be that the motion could be amended and the part which is not affected by the bill retained, but as it stands it seems to me that the motion is subject to the point of order raised by the hon. member.

Mr. SPEAKER: The bill to which reference has been made affects the redistribution of the whole Dominion based upon the last census. The proposal in this case deals with the transferable vote; it deals with the mode of election, not with the redistribution itself. My ruling is that the point of order is not well taken.

Mr. GOOD: I am glad to have permission, Mr. Speaker, to continue, although the hour is late and I proceed in the full knowledge that anybody who wishes to prevent a vote on this question this afternoon may do so by talking until six o'clock.

Last year I had the honour of presenting to the House two resolutions dealing with electoral reform. The first one, having to do with the alternative vote in single member constituencies, was adopted without debate and, I think, with practical unanimity. I am very much pleased to note in the Speech from the Throne that the government will embody this reform in the Dominion Elections Act during the present session. My second proposal was that at the same time there should be a limited, and more or less experimental, application of proportional representation, which alone would give us a true and adequate representation of the major bodies of existing political opinion. This resolution, after an interesting debate, was defeated by the somewhat narrow majority of eighteen votes. As the Redistribution bill was then before the House and there was reasonable expectation of its being passed before the House prorogued, I took it that the defeat of the motion would postpone any further consideration of the matter of proportional representation until the next redistribution, probably not less than ten years hence. However, as hon. members know—

Mr. SPEAKER: I would ask hon. members if they would kindly stop the conversation which is going on in the House, in order that the speaker may have a chance to be heard. I myself can hardly follow his remarks.

Mr. GOOD: Thank you, Mr. Speaker. Unfortunately I have a cold to-day and I cannot speak as distinctly as I ordinarily would.

As I was going on to say, redistribution went over to the present session and I am therefore venturing to ask the House to reconsider the whole question.

The House will remember that the debate which took place last year continued until a very late hour, and owing to the desire of hon. members to reach a vote as quickly as possible I was unable to deal adequately with the objections that had been registered against the resolution. I desire, therefore, to deal very briefly this afternoon with the debate that then took place. I think the whole case against my resolution of last year was pretty well epitomized by the argument of the right hon. leader of the opposition (Mr. Meighen), to which I now propose to address myself.

In opening, my right hon. friend, in his most characteristic fashion, poured ridicule on the government for having no policy in the matter under consideration. Next he embarked upon a rather lengthy digression in order to prove to the hon. member for Brome (Mr. McMaster)—and others—that the great Conservative party was, or at least had been in time past, truly progressive. My right hon. friend's contention in this regard was well sustained by a considerable body of evidence. I have often remarked, as he did on that occasion, that there is nothing so delusive as names. In fact I should not be very much surprised, if we could apply proper standards of measurement, to find Conservatives.

Liberals and Progressives, if these terms have any significance, in all sections of this House. Party names are something like peoples' names: in the dim and distant past they were descriptive, but in process of time they have become mere tags, having no special significance. I presume, Mr. Speaker, that some time in the past my ancestors on the paternal side may have had some admirable characteristics which their descendants have neither the desire nor the right to lay claim to; and I think it is possibly somewhat the same with political parties: whether through marriage, or "morganatic alliance" or the influence of environment, they rapidly change, and the only consolation we have is that it is somewhat easier for them to change their name than it would be for a two hundred and fifty pound Mr. Small to change his name to Mr. Large. However, to digress no further in reply to my right hon. friend's digression, I may say I have no quarrel with his claim that the grand old Conservative party really possesses progressive instincts and has at least some progressive measures to its credit.

Now, coming to proportional representation itself, my right hon. friend seems disposed to endorse the charge so frequently made that this newer method of election will tend toward a continuance and multiplication of groups in parliament, a condition which he believes to be regrettable. He is forced to admit, however, that groups have arisen, continued and multiplied without proportional representation, and he admits further that the emergence and continuance of groups may be useful, holding only that the multiplication of groups does not conduce to the good of the country.

Now, if he could prove that the multiplication of groups was a result of proportional representation, his argument would be valid so far; but he does not prove it; nor can he, for the available evidence points the other way. But, supposing it could be proven that proportional representation resulted in the multiplication of groups, are we justified in concluding that it would be more difficult in that case for the electorate to decide major questions of policy than it has been under the old system? I think not. My right hon. friend's argument in this connection would be valid only if there were a single question of public policy to decide in a general election. In such a case it would not matter very much what sort of electoral methods were in use provided the issue secured a majority vote of the electors. Two parties, one for and the other against, would meet the need. But no general election is like this. There are usually several major issues and a number of minor ones. Then there is the personnel of the administration and its record. Moreover, there are questions pertaining to the qualifications, views and characters of the various candidates. Proportional representation will give greater freedom of choice to the electors and thus enable them to give expression to their views on several issues. Nor will it in any way render more difficult the settlement of any major issue, as my right hon. friend seems to think, for will not each candidate declare himself on such issue? Did not the anti-protectionist opinion in Great Britain find expression both in Labour and Liberal candidates, though these may have differed on other questions? And was it not desirable that British electors who wished to record their votes against protection should have the choice between Labour and Liberal candidates thereby enabling them to register their opinions not only on the major issue but on minor issues as well? I wish to quote, on this point, a paragraph from the last number of the British journal Representation. It is from an article entitled The Three-Party Problem and Proportional Representation:

4 p.m.

> If public opinion is divided into three main streams, the three party system is not an evil; on the contrary, it is of very great value in the organization of public opinion. The presence of three parties in the general election alone made possible the fairly clear and definite expression of national opinion on the great issues of the day, Protection, Capital Levy, Foreign Policy and Unemployment, and Socialism. Consider what would have happened if the three parties had been reduced to two, Labour and Conservative. The four million Liberal electors would have been compelled to decide whether free trade on the one hand, or the capital levy and socialism on the other, were to them the more important of the issues. Some would have voted for the Conservatives; others for Labour; many might have abstained. Either the Labour party or the Conservative party would have had a majority of seats. In either case, legislation might have been at complete variance with national wishes.

I submit, therefore, Mr. Speaker, that my right hon. friend's argument in this regard, both as respects the connection between groups and proportional representation, and as respects certain effects of groups, is not well-founded.

The next objection put forward by my right hon. friend is the fear that log-rolling may be encouraged by the existence of groups in parliament. Let me read to the House what he says in this connection. I quote from page 410 of Hansard of last year:

> The worst thing that can happen parliament is to have it so constituted that policy is determined by a system of exchange of favours, of sectional favours, of favours of any other kind—policy determined thereby rather than determined initially by government on

its responsibility to parliament and ultimately to the electors. For that reason I do not think proportional representation is consonant with the British form of government.

Now, I will agree with my right hon. friend in his objection to log-rolling, but I do not see its connection with proportional representation; in the first place, because we have groups without proportional representation, and in the second place, if proportional representation gave rise to groups, the evils of log-rolling would be no worse than they are under the two-party system, where there are all kinds of opportunities for log-rolling, and that of a secret kind, within the party. How easy it is for representatives to demand local favours as a price of support of a government, how easy for that to go on within a party group if members are so minded. No; that argument is quite beside the mark.

Then finally, after admitting that much may be said in favour of proportional representation, after admitting that such a system tends toward more accurate reflection of all the views of public opinion in the mirror of parliament, my right hon. friend protests vehemently against anything in the nature of a partial or isolated application of proportional representation. Listen to what he says; I am quoting from page 411 of Hansard:

> But whether proportional representation is right or wrong, the isolated application of proportional representation is wrong, and wrong in my mind without any room for debate at all. I am against the isolated application of the principle, and would be against it even though the principle itself appealed to me as sound. Now why do I say that? You cannot have the isolated local application of proportional representation while all the rest of the country is under the old system, and either do justice as between party and party or do justice to the constituency to which proportional representation is aplied. It is unfair as between party and party, and it is unfair as respects the constituency itself. Now as between party and party you may apply proportional representation to constituencies, or to classes of constituencies, where one party is the stronger, and thereby deplete its strength in those constituencies but leave unmolested whole areas of the country where another party is the stronger, and thereby give it the whole advantage of its majority over that area. That such a result would be grossly unfair—indeed, that it would be an outrage on the public of this country, there can be no dispute at all, and I do not believe you can choose any area and say that you have chosen this fairly as between the parties represented in parliament.

There are two charges there; first, that injustice will be done as between party and party, and second, that the constituencies where proportional representation will be applied will not be fairly dealt with. Let us examine these two charges in their reverse order.

Take, for example, the specific case of the city of Winnipeg where proportional representation has been in effect for some years, and to which my right hon. friend refers. In what way has injustice been done to the inhabitants of Winnipeg by providing that the minority in that city should secure representation in the Manitoba legislature? My right hon. friend tries to tell us what injustice is done, or may be done. I shall read a few sentences from his address last year. I quote from page 412 of Hansard:

> In a word, the party that directs its policy to winning that vote—

He is referring to the rural vote.

> —plays for a stake of forty seats; the party that directs its policy to winning the city vote plays for a stake of one vote or two. As a consequence, there is every motive, there is every political motive—and let us not be so hypocritical as to deny that political motives exercise an influence in parliament—there is every political motive to neglect the constituencies to which proportional representation is applied in the public policy of the country, and to place the whole trend of that public policy in favour of those constituencies to which that system is not applied at all. There would be very little to be gained by any government in office in Manitoba to-day in so turning public policy as to be even fair to the city of Winnipeg.

My right hon. friend is too close a reasoner not to see the weakness of this argument. In fact, he makes a veiled admission when immediately after the sentence I have just read he says:

> I do not want to be understood as saying that there has been unfairness to the city.

Well, proportional representation has been in effect in the city for several years. If the menace exists there, why do we not see some realization of it? I think hon. members for that district will bear me out when I say that we have not seen such discrimination against the city of Winnipeg in the Manitoba legislature, and I think for the very good reason that the ten members for Winnipeg elected under proportional representation may be relied upon to protect the interests of the city just as well as any other ten members elected in wards or districts. Indeed, why not? There may be many differences of opinion on other matters of a provincial character, but is there any reason in the world why the ten members elected under proportional representation for the city of Winnipeg, whose opinions may differ on other matters, should not unite in protecting the city against unfair treatment? Why should they not unite to so protect the city? In fact the members elected in that way would unite to defend the city against any unfair treatment by the province, more

so than ten members elected in wards, because of the fact that ward jealousies and ward needs would probably occupy a somewhat important part in the minds of the members so elected. I think, therefore, Mr. Speaker, that the argument of my right hon. friend with respect to the city of Winnipeg falls down completely.

Nor is he on any better ground when he applies this argument to the federal arena. He says that there are strong sectional interests in Canada. Granted. Why should sectional interests be ignored if members be elected under proportional representation? Does my right hon. friend think that the sectional interests of Nova Scotia would be in greater jeopardy if there were a fair representation of Conservatives from that province in this House? Have not all the members from British Columbia acted unitedly in this House, no matter to what party they belonged, on such a question as that of oriental immigration? Frankly, I see no reason to believe that proportional representation would in any way hinder the united action of representatives from any particular section of the country in regard to sectional needs. On the contrary, it would enable parliament to get a more balanced and accurate view of what the various sections of the country wanted.

Now, so far as justice between party and party is concerned, it is not difficult to see what is in my right hon. friend's mind. He fears, for example, that a Liberal government will apply proportional representation to Toronto and will not apply it to Montreal. Of course injustice may be done in this way, but can it not be done now by the notorious process of gerrymandering? I think, Mr. Speaker, we shall have to depend somewhat on the sense of decency, or at all events on the public protest that would be evoked by any glaring case of that kind. I should like to assure my right hon. friend the leader of the Conservative party and his associates that if they will assist this group in getting a partial application of proportional representation, we on our part will see that they as a party are not unfairly discriminated against.

Now, Mr. Speaker, why do I ask for a partial application of proportional representation? Why do I not seek to apply it all over Canada at the same time? I should like to direct the attention of the House to three fairly definite, and I think fairly valid, reasons for my attitude in that regard.

First, because I am sufficiently cautious and conservative to believe in a not too rapid change, owing to the ever present danger of reaction. I think we all realize that even progress in the right direction may be too rapid and may bring about a reaction, if the people are not ready for it. "Slow and steady," with the emphasis on the "steady" is, I think, a good motto to keep before us in this connection.

Secondly, because it is generally believed that there are serious practical difficulties in the way of applying proportional representation to very large and sparsely settled areas. Personally, I think these difficulties have been greatly magnified, but it would be folly to ignore such belief as exists in this connection. It seems to me to be the part of wisdom, therefore, to await the result of experience. Most people are profoundly affected by actual experience, and by keeping this in mind I think we shall make greater progress in the long run than if we were to go too fast at the start.

Thirdly and finally, because while the task of the voter under proportional representation is easy, the task of the returning officer is not so easy, and in order that there may be a minimum of mistakes in the actual carrying out of the count in the various constituencies, it is desirable, in fact it is absolutely necessary, that there should be at least one trained supervisor, and it would be better to have several, in each constituency where such an experiment is tried We have some men in Canada who are prepared to supervise the count, but we have not very many, and it would give the system a black eye if, by attempting to apply it where people are not prepared to intelligently supervise the procedure, we should fall down in the application. In that way the system would be very unfairly judged.

For these reasons it seems to me desirable to make haste slowly. What objection would there be, for instance, to the application of proportional representation in Winnipeg for federal purposes, where they have already had it for provincial elections for a number of years? I cannot see any difficulty about applying it in such a case. People are familiar with the procedure. There are plenty of skilled returning officers in Winnipeg to look after the count. But the situation might be very different, indeed, if we were to make the attempt in one of the large and sparsely settled areas of northern Ontario. I think that what we ought to do would be to adopt it where it is immediately practicable and extend it as fast as it is shown to be wise.

Now, Mr. Speaker, leaving the debate of last year, let me submit to the House some

information which experience has given us during the intervening period. First of all, in point of interest, I think, are the Irish elections of last summer. In this connection I would like to quote from the October number of the Proportional Representation Review. This is from an article on the Irish Free State elections and I quote as follows:

> The election of the Dail Eireann (Chamber of Deputies) of the Irish Free State, was carried out on August 27, by proportional representation with the single non-transferable vote (the Hare system). The 153 members were elected from 30 districts returning from 3 to 9 members in each. Generally speaking, each county was a district. The city of Dublin, which returned 15 members, was polled as two districts. The result may be summarized as follows:

Then there is a table showing the name of the party, the number of votes polled, the seats obtained and the seats in proportion to votes. I do not think it is necessary for me to weary the House by reading the whole of this table. There were five different parties or groups who appealed to the electors of Ireland last summer: The Government party, Anti-Treaty or Republican party, Labour, including Independent Labour, Farmers, Business and Independents. Further down in this article, I should like to quote the following comment:

> A system of election which thus gives even-handed justice to every party, even one whose leaders are in jail or "on the run," may be thought by some to be too liberal for the safety of the state. But that is not the view of those Irishmen and others who seem to us the true heirs of the great tradition of Anglo-Saxon statesmanship exemplified by such men as Pitt and Burke and Lincoln. For Americans especially it should not be hard to appreciate the profound advantage of a system of election which gives justice in representation. If the British parliament had supported Burke on March 22, 1775, when he advocated the recognition by parliament of "the ancient constitutional policy of this kingdom with regard to representation" and its application to the rebellious Americans, it would doubtless have held the colonies. The system of election used in the Free State, by giving justice (so far, we mean, as the system is concerned) even to those in rebellion against the existing government, has tended to discourage unparliamentary methods.

There is another paragraph which I shall not read, dealing with the steadying influence of proportional representation. The change of representation from that of the previous parliament has not been very noticeable, and therefore greater harmony and continuity have been possible. I should like to note in this connection also some information given in the British journal, Representation, to which I have alluded before. This is from an article on the Free State elections of 1923:

> A method of election is something more than machinery. It influences profoundly both the character of the electoral campaign and the nature of its result.

And further on:

> The influence of proportional representation can be traced even in the nominations. Apart from Dublin University, which was permitted to return unchallenged three Independents, every constituency was contested. Further, the four parties—Government, Republican, Farmer ,and Labour—had their standard-bearers, not merely in reasonably favourable constituencies, but in practically all. This did not, however, necessitate any extraordinary number of candidates.

I would like to comment at this stage that the charge which has been frequently made that this method of election results in a multiplicity of candidates as well as a multiplicity of groups, is utterly without foundation in actual experience. I continue:

> There were for the 150 contested seats in Ireland, 373 candidates.

Then it gives the statistics for Great Britain in the election of 1922 and the election of 1923, showing that under the proportional representation system, the proportion of candidates running was practically no greater than under the system which prevailed in Great Britain.

I have in my hand a letter which appeared in the London Times not long ago from Lord Monteagle, commenting upon the Irish election. After an introduction, he enumerates as follows certain broad characteristics of the Irish election of last August:

> (1) The peaceable and orderly character, not only of the polling day, but of the preliminary campaign, was as generally recognized as it was unexpected. The surprise indeed was natural when one remembers the passion and lawlessness of the previous twelve months then hardly allayed, and recalls the election disturbances of former days even in ordinarily peaceful times. The charge may surely be attributed largely to the decrease of the gladiatorial element inherent in single combat contests.

I shall not weary the House with reading the rest of this enumeration, which is very interesting, indeed, showing the unusually useful and harmonizing and stabilizing effects of this method of election in Ireland. Surely, if there is any place where the utility of this method of election had a better chance to be proven to the hilt than Ireland, I would like to know where it is.

I refer next, just for a moment or two, to the British elections of last December. On the whole, a much fairer representation was secured than in the British elections of the previous year, 1922; but this was purely by accident. That that is so, can be definitely proven by an analysis of some of the constituency or borough and county elections. I quote from the British journal, Representation, for February, 1924, a little information bearing upon this point. For instance, in the city of Birmingham, the Conservative party, with 149,000 votes, secured eleven representatives. The Liberal party, with 76,000 votes, secured none

at all. The Labour party, with 28,000 votes, secured none at all. There you have about two-fifths of the votes securing the total representation in the city of Birmingham. In Cornwall, the Liberal party captured all of the seats, while the Conservative party, with 41,000 votes, secured no representation at all. If you take Wales and Monmouth together, you find that the Labour party secured a great preponderance of the representation. In Scotland also the Labour party secured a preponderance of the representation. Therefore, as I said, it is only by accident that the result on the whole comes out with a greater degree of fairness than we would expect. The situation is simply this, that Conservatives in Scotland and in certain other sections have to be content with being represented by Conservatives from cities such as Birmingham, just as in this parliament the Conservatives of Nova Scotia have to be content to be represented by the Conservatives of Ontario. I might make the same comment with respect to other provinces of the Dominion.

I should like also to refer in passing to a very interesting election which took place last November under this system in the city of Cleveland, the fifth city in importance and population in the United States. The city was divided into four districts and twenty-five councilmen were elected in it. I have here in the January number of the Proportional Representation Review a very exhaustive account of this election. I will not weary the House by making any quotations from it, although I should like to do so, if I had the time. I submit, Mr. Speaker, that anybody who reads this careful analysis of the actual experience of Cleveland must come to the conclusion that the method in this instance has a great many most important advantages.

Now let me refer to an interesting news item from New Zealand, which is, I think, of particular interest at this time:

> In New Zealand an electoral development of importance has taken place, a bill having been introduced by the government involving a partial application of P.R. in the House of Representatives. The new bill proposes P.R. for the chief cities, Auckland with 5 members, Wellington, 5, Christchurch 4 and Dunedin 4, —in all 18 members in a House of 80. Preferential voting (the alternative vote) is to be applied in the remaining constituencies. The government introduced the bill, with a view to making its provisions generally known, immediately before the parliamentary adjournment last August, and the Prime Minister stated that he "intended, all being well to proceed with it next session." As both the opposition parties, Labour and Liberal, are pledged to P.R. there is hope that a definite advance will be made.

The situation in New Zealand apparently is almost identical with the situation in this country, save that the government here has not yet adopted the policy of making an experimental application of proportional representation to certain selected constituencies.

I must refer also to the Ontario elections of last June, when the Conservative party, with a minority of the total vote, secured a very large majority of the representation. Hon. members are aware of the effort made by the preceding administration to enact two measures of electoral reform and redistribution just prior to the dissolution of the legislature last summer, and we are all familiar with the methods which were used to block those reforms and with their final failure. As a result of the failure to introduce better electoral methods in Ontario last June, we find that the Conservative party, with 49 per cent. of the vote, secured 66 per cent. of the seats; the Farmers, with 22 per cent of the vote, secured 16 per cent of the seats; the Liberal party, with 21 per cent of the votes secured 12 per cent of the seats; while the Labour and Independent vote of 7 per cent secured 5.8 per cent of the representation. Although the Conservative party may regard this situation as being very satisfactory, it is something which will undoubtedly prove a boomerang. No party which secures more than a fair share of representation ought to hold it or can hold it very long. As I remarked last year when the matter was under discussion, the farmers in the preceding government in Ontario had more than their fair share of representation, and perhaps it was that fact which to some extent led to their defeat on June 25.

In Manitoba also we find that recently the legislature has adopted the alternative or transferable vote for single-member constituencies, and there is a movement on foot to extend proportional representation outside the city of Winnipeg. I notice that two clippings, one from the Tribune and one from the Free Press, which I have here, refer to a resolution brought in by Mr. Tanner, the member for Kildonan and St. Andrews, who is apparently moving for an extension of proportional representation to some of the more thickly settled districts outside the city of Winnipeg. I merely refer to this in passing as indicating the tendency of the times. I should refer also to the situation in Alberta where, I understand, it is proposed at the next session of the legislature to adopt the alternative vote and proportional reprensentation for the whole of the province. It is too soon, perhaps, to speak definitely as to what will be done, but I understand that this is the prospect. And I notice that even in Quebec there is a considerable sentiment in

favour of reform along these lines. Perhaps the Minister of Justice (Mr. Lapointe) will be particularly interested in an article from the Quebec Chronicle. The first paragraph reads:

> Although the adoption of the proportional representation system of election makes comparatively slow progress in this country, the time is declared to be coming when the sheer force of example will break down all opposition. In this connection, no doubt, the statement will come as a surprise to many readers that well over one-eighth of the earth's population, it is stated, are living in proportional representation territory; that is nations or other governmental units throughout which proportional elections are held for important representative bodies by direct popular vote.

The rest of the article contains a lengthy enumeration of various countries in which this system is in use.

Now, why should we not be satisfied with the alternative vote? Last year apparently there was a feeling that if we secured one reform we should be satisfied with that. But the alternative vote, I would point out, is designed to meet a special difficulty which has been arising in recent years, the difficulty namely, in connection with the running of more than two candidates in a single-member constituency. The alternative vote meets that difficulty satisfactorily. Every one recognizes that, and that is why this House has adopted it without debate and, I think, with practical unanimity. But it does not secure or assure to us fair representation. It cannot do so, and we must go further as quickly and yet as carefully as we can. In the little magazine to which I have already referred there is an analysis of the last British general election from the point of view of the alternative vote. This article, which is very interesting, shows that, so far as can be ascertained from an analysis of that election the alternative vote would not have been of very great value in securing a fair representation in Great Britain. I do not want the House to think that I am minimising the importance of the alternative vote at all; it is very important, and I am glad that we have attained it. But nevertheless it does not meet the problem which democracies have to face at the present time. I will not impose upon the House the details of this analysis of the British elections from that point of view, but they are worth looking into.

Let me refer for a moment to the language of the resolution. Hon. members will see that it is somewhat different from the resolution of last year which was defeated by the small majority of 18. It occurred to me that possibly, as that resolution apparently was not acceptable to the House, there being no evident desire to adopt proportional representation in certain selected constituencies, the House might at least agree to apply proportional representation in any multimember constituencies that might remain after the next redistribution. In the past we have had several two-member constituencies, three of which I recall at the moment,—Halifax, St. John and Ottawa. There may be others.

Mr. LAPOINTE: There are five—Cape Breton South and Richmond, St. John, Halifax, Ottawa, and Queen's, Prince Edward Island.

Mr. GOOD: I am glad to have that information. If the House cannot see its way clear now to go to the length which I suggested last session, and if these two-member constituencies are retained and possibly other multimember constituencies are brought into existence in the proposed redistribution, I think we might as well utilize the transferable vote in such constituencies to secure a fairer representation. Let me illustrate what I mean by taking the case of the city of Halifax. Let us suppose that 55 per cent of the electorate would vote Conservative and 45 per cent Liberal. Obviously it would be much fairer to have one Conservative and one Liberal representing that city in this House than it would be to have two Conservative members returned, as would almost inevitably happen under the present system even with the alternative vote. A two-member constituency is not the best for the application of proportional representation, but it is better than nothing.

If the House will not go so far—and I think it was a very moderate length to which I asked it to go last session—then perhaps it would be agreeable to adopt what I am now suggesting in this resolution. I should, however, be most happy if a member of the government, the Minister of Justice (Mr. Lapointe) for instance, could see his way clear to bring in an amendment in accordance with the terms of my resolution of last session, not specifying any particular constituencies, but leaving it in the hands of the committee on redistribution to consider whether or not Winnipeg, for example, might not be selected as a federal constituency in which to apply this method. But, as I have already said, I chose this particular wording, feeling that it was the least the House could be asked to adopt, and in the hope that something might be done in this direction. I gather from the remarks made last year by the present Solicitor General (Mr. McMurray) that he is not sympathetic to proportional representation being applied to Winnipeg, but I am disposed rather to accept as of more weight the very many assurances

from other prominent men in that city that the system is satisfactory there.

Personally I think we might at least go this far, and I am simply submitting it to the House as a matter of opinion. We might at least apply the method in the present two-member constituencies, if they are continued, or in any multimembered constituencies. I think we could apply it in Winnipeg without any disturbance of local conditions. I should also like to see it applied in Toronto and Montreal. And I should be glad to see an experimental test made in old Ontario where we have a fairly dense mixed rural and urban population. I do not see any difficulty in its application to such a territory. As I remarked on a previous occasion, the committee of the Ontario legislature which had this matter under study some two or three years ago recommended two experimental applications of the system in mixed constituencies, one in western Ontario and one in eastern Ontario. I know that in my own district we might group together the counties of Brant and Oxford, and possibly Norfolk, to the south, forming a group-constituency which would elect about five members.

In conclusion, Mr. Speaker, I would submit to the House and to the government that now is the only chance we shall have within the next ten years to make any headway with this most important reform, a reform which has shown itself by actual experience to be an improvement on our present system. I do not want to be arbitrary, neither do I want to ask too much, and I should be most pleased if the government could see its way to consider some further application of proportional representation than I have suggested in this resolution; and, I repeat, I would welcome an amendment to that end. But, if no hon. member cares to bring in such an amendment, then I must be content with this resolution, which simply asks the House to endorse the very minimum application of the principle that is possible in Canada at the present time.

Hon. ERNEST LAPOINTE (Minister of Justice): Mr. Speaker, I think the hon. member (Mr. Good) deserves credit for the consideration he has given to the improvement of our system of representation, more particularly as concerns proportional representation—a system which is in force in many countries of the world, and which will probably be in force later on, at least partially, in this country.

[Mr. Good.]

The resolution, however, suggests that the Dominion Elections Act be amended so as to use the transferable vote to secure as far as possible proportional representation in such multimembered constituencies as may be constituted by the next redistribution. In other words, he asks the House to legislate for a condition which may or may not exist after the redistribution committee has completed its work and the bill has become law. In this respect at least the resolution is premature. Personally, I would rather see some of our double-member constituencies wiped out. As I said a few minutes ago, we have five double-member constituencies at the present time—Ottawa, Halifax, St. John City and Counties of St. John and Albert, Cape Breton South and Richmond, and Queen's, P.E.I. By his resolution my hon. friend would ask the House to apply proportional representation to such constituencies as these. I do not think it would be giving a fair chance to the system of proportional representation to try it in those constituencies instead of in the big cities as the hon. member suggested last year. I myself voted for the resolution he introduced last year, but it was voted down by the House.

Mr. McMASTER: La majorité n'avait pas raison.

Mr. LAPOINTE: My hon. friend says the House was wrong; perhaps that is so, but I could not help it. I think that if a trial is to be given to proportional representation it ought to be in such cities as Toronto—I believe Toronto would be the best one—Montreal, Winnipeg and Vancouver, but not in Queen's, Prince Edward Island, for instance, which is largely a rural constituency, or in St. John City and Counties of St. John and Albert, or in Halifax, which also are largely rural. As I said a moment ago, I do not think proportional representation would be given a fair trial in counties where it could not best demonstrate its advantages.

I do not like the suggestion of trying out proportional representation in a sort of makeshift way instead of discussing it and applying it openly on its merits. If proportional representation is to be introduced in Canada it should enter by the front door instead of by that sort of back entrance. I really think it is not the best way to try the system. Last year the House accepted the principle of the transferable vote, and in a very short time the government will introduce a bill to give effect to the unanimous resolution adopted at that time.

Mr. STEVENS: May I be permitted to correct my hon. friend? He says that the resolution was adopted by a unanimous vote. Speaking for myself, I voted "no" very distinctly.

Mr. LAPOINTE: My hon. friend is wrong.

Mr. STEVENS: There was no division, but when the yeas and nays were called I voted "no." I just wanted to correct my hon. friend, because I am not on record as voting for it.

Mr. McQUARRIE: I might say the same thing, Mr. Speaker.

Mr. LAPOINTE: Well, I am very sorry indeed that my hon. friends did not register their protest in a more striking way, because the resolution was declared carried without anybody speaking against it, so far as I can remember, and then we proceeded to discuss the following resolution, which dealt with proportional representation. My hon. friend probably intends to oppose the change which will be effected by the bill to be introduced by the government. However, I think we stand a fair chance of getting the legislation through parliament.

I think my hon. friend (Mr. Good) should be content with this measure of progress, for which he is largely responsible on account of the consideration he has given to the question, the amount of work he has done in that connection and the remarks with which he accompanied his resolution of last year. My hon. friend himself has said that we should move slowly, that we should not progress too rapidly. Festina lente—make haste slowly—was an old axiom of the Romans, and I believe that in any movement of this kind we must not go too fast, otherwise we may run into danger. I think my hon. friend might well await the report of the committee on Redistribution before pressing his motion.

Mr. W. G. McQUARRIE (New Westminster): Mr. Speaker, I am in the same position as the hon. member for Vancouver Centre (Mr. Stevens) in regard to the statement made by the Minister of Justice (Mr. Lapointe): I remember distinctly that when the motion on the transferable vote was put last year practically all those in this quarter of the House said "no". It is quite true that a division was not demanded. I think myself that that was a mistake. In conversation with a great many members on the other side of the House I have ascertained that if a division had been demanded on that occasion they would have voted against the resolution. I do not believe that the resolution by any means represented the unanimous opinion of this House, and I do not believe that if the matter came before the House again, except as a government measure, any unanimous vote in favour of the transferable vote would be recorded. I believe, on the contrary, that if the supporters of the government could vote on the question as an independent measure they would vote against it. Of course I realize that if it comes before the House as a government measure the supporters of the government will feel compelled to vote in favour of it.

Mr. SPEAKMAN: Did the resolution come before the House last year as a government measure?

Mr. McQUARRIE: I am not suggesting that. That is what I was trying to make clear; it came up just as it came up today, without the members generally knowing it was coming up and without their being properly prepared to speak on it. How many places in this chamber are vacant on this occasion? How many hon. members are not present? We must all be interested in this question, because it is a very important one, and I suggest that if some method could be arrived at whereby all hon. members irrespective of the party affiliations should have the privilege of voting on the question again—

Mr. LAPOINTE: If my hon. friend will allow me, does he not know that a few minutes after this motion was adopted last year, another motion, that declaring in favour of the principle of proportional representation, was defeated, the vote standing 90 to 72, which shows a considerable attendance of the members?

Mr. McQUARRIE: That does not show the attendance of the members when this particular question was being discussed. As a matter of fact the House will probably fill up a little later when a division comes on today.

Mr. GOOD: Is my hon. friend not aware that the adoption of this resolution last year without division took place almost immediately after three o'clock in a very full House?

Mr. McQUARRIE: My statement is this: That that resolution was passed last year without proper consideration, and I back up my assertion by statements made to me by many hon. members on the other side.

Mr. ARCHAMBAULT: Name them.

Mr. McQUARRIE: I am not going to name them; it would take me too long. As far as I am concerned I am absolutely opposed even to the transferable vote feature of this resolution, and I always have been. I think that every member of the official opposition is also opposed to it. Moreover, the resolution suggests that we should make an experimental test of proportional representation in an actual election. Now I would warn the House against anything of that kind. We have been making experiments with proportional representation in British Columbia for some time. We have tried it out in most of our cities. We have tried it out in Victoria, Vancouver, New Westminster, Nelson and other municipalities, and so far as I am aware, not one of these municipalities that experimented with the system follows it today. They decided that it was not a proper system.

Mr. LAPOINTE: You mean proportional representation?

Mr. McQUARRIE: Yes, and the single transferable vote. Both have been discarded, as the experiments proved the system to be unsatisfactory. The results speak for themselves. I might say that before this system was adopted by the cities in British Columbia it was discussed at length, and its advocates addressed public meetings and elaborated their arguments in detail. They had a Proportional Representation society out there, with branches in all the cities. So the people did not jump into this thing with their eyes shut. They tried the experiment after carefully considering the arguments pro and con, and they expected to see the results the advocates of this system had claimed for it. But they were disappointed; in actual practice it did not prove a success. And, if that was the case with us in British Columbia, why should we suppose that we shall be any more fortunate when we apply it in Dominion elections? As far as I am concerned I am absolutely opposed to these experimental tests. I do not believe in this system at all. I would rather let somebody else do the experimenting, and then when we have seen some system that works well in practice, one that is no longer in the experimental stage, we can adopt it. I am absolutely opposed to the spirit of this resolution.

An hon. MEMBER: Why?

Mr. McQUARRIE: So as to make my position perfectly clear I say without any hesitation that I am opposed to the principle of proportional representation. I am also opposed to that abbreviated portion of it known as the single transferable vote. I would suggest in all sincerity that this House consider very seriously before attempting to adopt the suggestion contained in this resolution.

Hon. H. H. STEVENS (Vancouver Centre): The Minister of Justice (Mr. Lapointe) referred a moment ago to the unanimous adoption of this resolution last year. I took occasion to interrupt him, and say that so far as I was concerned I voted "No" when this resolution was called. The question has arisen why this resolution was allowed to pass last year without discussion. I recall the occasion very well. Personally I have given a great deal of thought and study to this problem for a number of years, and I have never been able to bring myself to an approval of this system of voting. When this question was called last year I waited both for a presentation by the hon. member introducing it, who I believe spoke very few words, as Hansard will show—

5 p.m.

Mr. GOOD: May I ask the hon. member if he does not recollect the full discussion of the matter that was presented the previous year? Last year I said very little about it, simply to save time.

Mr. STEVENS: Quite true, the hon. member discussed it the year before; I am not questioning his good faith in the matter for a moment; he has been quite sincere and has given this subject a great deal of thought and study; I am simply stating what occurred last year. My hon. friend introduced his resolution with a very few words, and I awaited some utterance by the government in regard to the matter, but not a word was said. One hesitates always to rise to his feet and be the first, as it were, to oppose these things, and I certainly hesitated. The resolution passed, with very great regrets afterwards for having let the motion pass. Immediately the second resolution was called dealing with proportional representation, the two having been divided on that occasion, I rose to my feet and opposed it very vigorously, and later that motion was voted down. I want to say to the House that a great many members came to me afterwards and expressed regret that the first motion had carried without discussion. I merely refer to that in justice to myself with reference to the interruption I made a moment ago when the Minister of Justice (Mr. Lapointe) was speaking. While the records show the motion

was carried without division, I regret that there was not a full discussion and a division on this very important subject.

I purpose giving to the House a few reasons why I am opposed to this resolution. I agree with the hon. member to my left who asked the previous speaker (Mr. McQuarrie) why he was opposed to this system of voting, that we should state our reasons why we are opposed or favourable, as the case may be. I have not come this afternoon prepared with any careful analysis of the problem. I am speaking largely from memory and from what thought I have given to the subject previously, and if my arguments are a little disjointed it is simply because I have not had the time this session to prepare any orderly address on the subject.

My hon. friend who introduced this motion intimated in his argument that this system is designed to give different groups in the community representation in the House. Indeed, this is one of the main arguments, one of the chief supporting pillars of this so-called electoral reform—that it does give representation to a variety of groups of interests in the country. On the other hand, it is also argued that parties need not have any fear of it because parties are preserved under it. Now I submit that you cannot have both; you cannot change the present system into a group system, and at the same time preserve the party system. I am not for the moment arguing pro or con. I am merely replying to the argument which is very frequently presented as one of the main reasons for the introduction of this reform. As a matter of fact, I think the tendency of the system is to multiply groups. It does not follow as a logical conclusion—it does not follow as night follows day—that that would be the result, but the general tendency is to increase the number of groups in a legislature or parliament. I want to seriously direct the attention of the House, and particularly the attention of the government, to the consideration of this particular point. I feel that perhaps this is the crux of the whole business; therefore let us ask ourselves the question, is it desirable to change or to exchange the present British parliamentary system now in vogue in Canada for a group system similar to that in vogue in France, in Switzerland, in Belgium and in many other European countries? That is the question which I propound, and that is the question to which we should give consideration.

Let me examine the proposition for a minute. The genius of the British parliamentary system is that an individual elected to parliament is elected as a representative of all the people; that is that he is not elected to represent the peculiar interests of Vancouver Centre or Winnipeg or Montreal, Toronto or any other section. He or she is elected to represent the interests of all the people of Canada in any matter that comes before parliament. As far as human nature will permit, that individual is supposed to examine each measure in the light of the interests of the country at large. I quite frankly agree that very often we will, selfishly perhaps and in varying degrees, place local interests before national interests. But, heavens, we are not infallible creatures? We are all fallible, all liable to err and do err, but that does not condemn the system or the principle underlying it. We are elected to represent all the people of the country, and the further we get away from that principle, and the more parochial our representation in this House becomes, the less efficient, the less noble is the institution of parliament. If we depart from that principle through error or fault, that is corrected by the electorate at each election if they so choose. But if we are going to depart from it deliberately by changing that system for a new system, let us examine the new system and see if it is a great improvement over the other, or if it is any improvement at all. My hon. friend (Mr. Good) made a point which is frequently made, and I have heard others make it and advance it as an unanswerable argument. I will take my hon. friend's illustration. He says that it is not right that the Conservatives of Nova Scotia should have only one representative in this House when they polled a certain number of votes in the last general election. He inferred that proportional representation or the single transferable vote, to the extent it was used, would correct this evil. Would it correct the evil? That is the question before us. I will admit if it corrects the evil—if there is an evil—then there is something in his argument. But does it infallibly correct it? Take Australia, where proportional representation is carried out in all its glory—

Mr. GOOD: May I interrupt the hon. member to say that proportional representation is not in existence in Australia.

Mr. STEVENS: I notice some of my hon. friends are very prone to applaud the minute anybody makes a positive statement. My hon. friend will admit that proportional representation is in force, in so far as the elections to the Senate are concerned. Am I right or wrong?

Mr. GOOD: As respects the Senate, yes.

Mr. STEVENS: Now will my hon. friends applaud me? I was about to say that this system in all its glory was tried out in Australia in connection with the Senate. In the elections of 1919 there were cast 860,000 Liberal votes, which elected 17 members to the Senate, and 820,000 Labour votes which elected one member. There were cast 173,000 Farmer votes which elected no senator. In other words, under proportional representation, which is supposed to be an infallible cure for the so-called evil of minority control, the situation is that with 860,000 votes the Liberals had 17 seats in the Senate, while with 993,000 votes the Labour and Farmers parties had only one seat between them in the Senate. I am not saying anything against the principle, because of that; but what I do say is that the imaginary evil, if I may use that term, of minority control, or of a group that has not a complete majority of the votes, having control of the government is not such a terrific evil after all; and furthermore that it is not corrected by the proposition now before the House.

Mr. BROWN: Could the hon. gentleman give us more information as to the details of the votes, the number of groups and the number of constituencies?

Mr. STEVENS: I did not come into the House with all the information I might have had. I am giving my hon. friend the facts. As I go along I will try and adduce certain facts which I think will support my argument fairly well. I have not the information my hon. friend asks for.

Turning to another matter, it was intimated by the hon. member who spoke a short time ago (Mr. Good) that consideration should be given to this as an experiment, that we ought to try it, and I think the hon. Minister of Justice (Mr. Lapointe) suggested that we should try it in Montreal, Toronto, Winnipeg and Vancouver. Let me say that we tried this system in the city of Vancouver for three full years. We had three different elections with proportional representation and the transferable vote. The mayor was elected under the single transferable vote, and the alderman, eight of them, were elected under a system of proportional representation in all its ramifications and perplexities.

Mr. McMASTER: What was the system of proportional representation under which they elected the city council in Vancouver? Was it the Hare system and the single transferable vote?

[Mr. Stevens.]

Mr. STEVENS: They had single transferable vote for the mayor and the eight alderman were elected under the proportional representation system.

Mr. McMASTER: There are a number of systems of proportional representation. The best known and most widely used is the Hare system, the single transferable vote for the multi-member constituency. Was that the system?

Mr. STEVENS: I cannot tell you the exact breed of it, but when it came to a plebiscite of the people, it ran like a hare, so that I presume it was the Hare system. I am sorry I cannot give my hon. friend the exact brand. It was proportional representation in all its ramifications. Probably this fact will enlighten my hon. friend. It took at least two weeks to count the ballots, so that I presume it was a real proportional representation system. Furthermore they had to bring in trained experts and accountants to count the ballots. That would be added evidence that it was the real proportional representation. It was tried for three years. The first year there was a fairly large vote, probably the same as usual. In the second year the vote dropped to 6,000 out of some 42,000 on the list, and in the third year, only 10,000 votes were polled out of 44,000 on the list. The reason was that people lost interest in the system for the election of representatives. Last summer, independently of an election altogether, the city council submitted to the electorate a plebiscite. I have in my hands a facsimile of the plebiscite, in fact, one of the ballots sent to me by the city clerk, together with his letter. This ballot is headed:

City of Vancouver. Municipal Proportional Representation Act.

Then the question is asked:

Are you in favour of rescinding the adoption of the Municipal Proportional Representation Act in this municipality? Yes No.

Underneath the following instructions are given to the voters:

If in favour of rescinding the adoption of the Municipal Proportional Representation Act, place a cross thus (X) opposite the word "yes". If against rescinding place a cross (X) opposite the word "no".

That is a plain, simple ballot, and a plain question to the electorate whether they are in favour of retaining this system or of rejecting it. I have in my hand a letter from William McQueen, city clerk of Vancouver, in reply to an inquiry by me as regards this plebiscite. The letter is dated March 13, 1924, city clerk's

office, Vancouver, B.C. It is addressed to myself and it reads:

> In reply to your letter of the 7th instant asking particulars of the plebiscite on proportional representation, I beg to say that on June 16, 1923, a vote of the electors entitled to vote for mayor was taken on the matter of rescinding the adoption of proportional representation in the city of Vancouver.
>
> Enclosed form of ballot
>
> The result was as follows:
>
> In favour of rescinding, (yes), 3809.
>
> Against rescinding, (no), 1705.
>
> The council of the city of Vancouver for the years 1921, 1922 and 1923 were elected under the proportional representation system.
>
> When proportional representation was rescinded last June, the ward system was again adopted and the council for the present year were elected under the ward system.
>
> Trusting this information is satisfactory,
>
> I remain,
>
> Yours very truly,
>
> WM MCQUEEN,
>
> City Clerk.

I read that for this reason: In our city, after a deliberate trial of this system for three successive years and on a plebiscite submitted to the people, this system was rejected by a vote of more than two to one. I submit to my hon. friend that it would not be reasonable or fair to impose upon the city of Vancouver at least, a proportional representation system when the people of that city have so clearly expressed their view in opposition thereto.

Mr. GOOD: What is the total vote in Vancouver?

Mr. STEVENS: I quite foresee what my hon. friend desires to know. I told him a moment ago that the number of voters on the list the year before was 44,000, and I told him also that under proportional representation the total vote polled at an annual election had dropped down to 6,000 because of the complexity of the vote, plus this—and I am in a position to give you only my word on this, but I know it, because I have studied the question and obtained the views of electors as far as possible—that the electorate became convinced that they could not secure a proper interpretation of their wishes at the polls under proportional representation. I know that is exactly contrary to the claims made for this system, but as a matter of experience that is the case. I venture to say that if hon. gentlemen will inquire carefully amongst the electorate where this system is in vogue, they will find that a substantial majority of the people amongst whom they inquire, if they inquire impartially, hold exactly that view, that this system does not do what it is supposed to do or what is claimed for it by its leading advocates, that is, give a frank and clear expression to public opinion.

Further, in regard to the query of the hon. member for Brant, I know that he will compare the vote polled with the 44,000. Let me defend my position in regard to that, and in order that we may have the matter on Hansard correctly, let me add this vote up. The total vote polled was 5,514. There was no election; but let me say to my hon. friend this. that there has been in existence in Vancouver, for at least ten years, a virile, active organization, advocating the adoption of this system of voting, a Proportional Representation Society, with regular officers, holding meetings constantly during the last ten years, advocating this system, annually attending the counting of the ballots, analysing the system, advertising its good features and so forth. So, when the test came, when this plebiscite was submitted, this association was behind the system, whereas those opposed to it were not organized at all; theirs was simply an expression of opinion of whoever chose to go to the polls. Therefore, the small number of votes polled on the plebiscite should not be quoted as wiping out, as it were, the significance of the majority in the case.

Let me turn to another phase of this question. It is claimed for proportional representation and the single transferable vote that it eliminates the chance choice; that is, supposing you have three candidates and one is elected with less than a majority of the votes, that is an unfair representation of public opinion. It is claimed in behalf of this system that it is scientifically, mathematically correct. Am I stating the claim unfairly? I think my hon. friend will agree with me that that is claimed for it. My hon. friend shakes his head. He is the first supporter of it who has ever admitted that it is not supposed to be mathematically correct. I am glad he does admit that, because it shows his fairness and honesty. It is not mathematically correct. It has in it the element of chance, the same as the other method. Let me try to explain this. I am not in a position to demonstrate it with figures. One would need a blackboard and to have the thing worked out by way of small fractions to do so, but I think I can make the matter clear to the House, perhaps in a somewhat rambling manner. This is a case that occurred in Vancouver in one of the elections. I think there were about 28 candidates for eight aldermanic positions. I cannot give the exact figures of the vote and the division of them; it would be interesting if I could; but I will give just the outline. The system followed was this: When the city clerk had ascertained what the quota for election would be—in this case

it was about 800 or something of that kind—then as regards such individuals as received over the quota of 800, the excess of their votes over that quota was taken, then the second choices were counted and distributed amongst the other candidates. I ask the House: Upon what basis of science, if you like, upon what basis of equity did they take that particular man? Why should they take his counts any more than the fourth, fifth or tenth man's counts? The choice is an arbitrary one. You choose arbitrarily; you might just as fairly have chosen the fourth or the fifth man as the first man.

Or let us turn the thing around the other way. Assume for a moment that none were elected on the first choice, which often is the case; because you frequently have a long list of candidates. What is the arbitrary rule followed in that event? It is to take the lowest man and to tell him, "You go, you are finished." Why do you take the lowest man? Just on the same principle exactly as the lowest man is told now that he is defeated. In other words, there is no more justice, no more science, no more logic in it, not one particle, than there is in the present system, and it is just as arbitrary. What are the circumstances? Two men might join their forces for the purpose of trying to secure the election of one of them; and in the case I have in mind neither of the candidates who ran in that way was elected until the seventeenth count. On the seventeenth count one of them was last, the other being just above him. It was the last man's turn, under this arbitrary method, to be discarded and his seconds chosen. His seconds were chosen, and the two of them having run together, as it were, neck and neck, they naturally at that particular moment elected a man who was lowest on the list over another person who had led him all through the count to that moment.. There is nothing particularly fair about that. As a matter of fact, the man who was ahead of him in all equity was entitled to election rather than the man who was second below him. I want therefore to impress upon the House the fact that this system is not equitable but is just as arbitrary as the present method of electing representatives, with the one difference that the choice is divided up into an indefinite number of different selections according to the number of candidates on the list.

After all, what is the test of all systems of government—what is the real test? Can we not find it in the periods of history of any country under any given system of government? You do not test any system of government by some mathematical scheme of counting ballots; that is not the way to test the efficiency or the justice or the fairness of government. The system of proportional representation has been in vogue in different countries for some time now and is practised in France, in Belgium, in Switzerland, in Portugal and elsewhere on the continent of Europe. On the other hand, the system that has been followed in Great Britain, in Canada and in other parts of the Empire for so long a time is the present method of electing members to represent the people in the various legislative bodies. I agree for the moment, for the sake of argument, that this method has developed the party system, but I do not wish to digress in order to discuss that point. At all events, we have in Canada the representative system of government which has had such excellent results in Great Britain and throughout the Empire, and under which individuals are selected to represent all the people in parliament, to study and determine upon the affairs of the country at large. Will anyone suggest that the countries of Europe outside of Great Britain—France, Belgium, Portugal, Switzerland, Norway, Sweden—have been better governed than Great Britain? Will anyone suggest that any of these countries, during the last fifty or hundred years has stood out before the world as giving a better expression of government than has the British Empire? I contend that not one of them has. And what better test of the efficiency of any system of government can there be than that? What has occurred in France? Again I must apologize for not having the exact data, but hon. gentlemen, I am sure, will accept my word for it that the system of proportional representation was adopted in France some years ago.

Mr. McMASTER: It is not the same system.

Mr. STEVENS: My hon. friend is a trifle too exact; it is one of the systems.

Mr. McMASTER: And not a very proper one.

Mr. STEVENS: There are no two countries that have precisely the same form of this system, and that is the peculiarity of it. Some one suggests that it is like Heinz's pickles, having 57 varieties; yes, and as an hon. member observes, it gets you into the same pickle. After all, the proportional representation system is the same—I was going to say principle—but lack of principle—wherever it is in force. In France they have the same system in a different form from that

which is followed in Switzerland and Belgium, and as a result of the practice there they have seven or eight different groups; so that, as an examination of the facts will show, during the last twenty or twenty-five years France has had a change in government on an average every year. In fact, that has been the case for the last fifty years.

Mr. FORKE: My hon. friend will admit that a change of government in France does not involve the same consequences as it does in Great Britain.

Mr. STEVENS: I frankly admit that it is a different matter altogether. But the change in government in France is made simply by means of a compromise between groups; and although M. Poincaré the other day was defeated on a technical vote in the French House of Deputies he simply fished around, after his resignation, and got together out of the various groups another government to carry on. And in this morning's papers it is stated that this new government, in office only a few days, is faced with an angry wave in the Chamber of Deputies because of something that does not suit some of the groups. The point which must be clear to all is that none of these countries has had the same stable government which has obtained in Great Britain; and a comparison of the general results obtained under the old system in Great Britain and under the new system in these other places must, I think, show quite clearly that the British government stands out above all others in so far as stability, strength and world influence are concerned. Before we bring about any change in principle in our system of electing members of parliament, I think hon. gentlemen would do well very seriously to consider the results under the two systems, by comparison over a period of years. If such a comparison is made I am convinced that it will show that the British parliamentary system is superior to the other. If that is the case, as I submit it is, then we ought to proceed with great caution in any attempt to abandon that principle for the adoption of an entirely new one.

Let me turn to another phase of the question. I shall perhaps be treading on slightly dangerous ground, but I desire to touch upon this point notwithstanding. We hear a great deal in these days about democracy. I made a few observations on this subject recently outside the House, and perhaps hon. members will pardon me if I introduce some of the arguments which I then advanced. Personally I have always had a very strong tendency towards what might be called democratic methods, using the term "democratic" in a broad, general way. But when we are dealing with a proposal for an entire change in our principles of government, I submit we ought to pause and carefully analyze our present system. It is in fact made up of three elements. It is not a pure democracy at all. We have a limited monarchy, represented in the King; we have autocracy, represented in the House of Lords and the Senate; we have pure democracy, represented in the House of Commons. I am quite aware that there are those who favour wiping out the first two elements altogether. But I say to every thoughtful member of the House, we ought to study with extreme care the advantages or disadvantages, as the case may be, of the presence of those two elements before we suggest discarding them. The more I study the history of the British parliamentary system of government, the more I am convinced that the kingly power, in the person of the King in Great Britain and of the Governor General in Canada, and the autocratic power, in the House of Lords and the Senate respectively in these two countries, serve a very excellent purpose in our system of government.

Let us take, for instance, the kingly power. Mr. Speaker, I am quite aware of the rule that we should not in our debates refer to the King, but I am speaking solely of the elements of government and shall keep within the rules of the House. At one time the kingly power was regarded as an individual and absolute right. That is not the case today. As a matter of fact, the Governor General here, or the King in Great Britain, is the last court of appeal of people who might consider themselves suffering some abuse at the hands either of the House of Commons or of the Senate or the House of Lords respectively. And British history records that during the past century or more the Crown has exercised its prerogative far oftener in the interests of minorities whose liberties were being encroached upon than arbitrarily for the benefit of the ruling classes. Therefore I appeal to the House to most carefully examine the workings of our present system before we attempt to change it in any way.

Let me take another step in this analysis. In connection with proportional representation there goes another departure from our present system. I venture to say that if this resolution passes and its provisions are embodied in the law, my hon. friend who has introduced it (Mr. Good) will be prepared to present to the House at some future session —if he is still a member—a resolution in

favour of the initiative, referendum and recall. This innovation has a certain attraction for those who have a penchant for proportional representation. In other words, the two go together. But it is equally doubtful whether this other reform has any advantages to recommend it more than the reform now suggested. After all, public opinion is not infallible. I know there are those appealing to the public who like to declare that the people's opinion is infallible. Indeed, anyone uttering my views is in danger of being branded an autocrat. But let us consider the matter coolly and frankly. How can every individual in the nation be, as a unit, fully apprised of the complexities of certain questions that come before parliament? It is an utter impossibility. No bill can be drafted so clearly as to convey of it full effects to the public. Yet under this new system, which I say is correlated with the subject matter of the resolution, an appeal is made to the public and the decision is to be left entirely with them.

I think I have discussed the resolution at sufficient length. I only regret that I have not had the time to present to the House a more detailed analysis of proportional representation supported by figures and other evidence. I will conclude with an appeal to the House to give the very fullest consideration to this principle before they adopt it as a definite change in our electoral system.

Mr. ANDREW McMASTER (Brome): Mr. Speaker, I have been wondering what is the real reason why the group in the corner of the chamber situated immediately to your left is so opposed to both these ideas—that of the single transferable vote as applied to single-member constituencies, and the larger idea of proportional representation.

Mr. SUTHERLAND: My hon. friend has asked why we oppose this principle. It is well recognized that this debate will close at six o'clock—

Some hon. MEMBERS: Order.

Mr. SUTHERLAND: That is, in so far as to-day is concerned. But if my hon. friend would let me have the floor for about ten minutes—

Some hon. MEMBERS: Oh, oh.

Mr. McMASTER: Surely in vain is the net spread in the sight of any bird! I have come to a conclusion on this question, and it is this. The Conservative party thoroughly realize that the progressive thought of this country is divided roughly into two groups, that when an election comes and there are three candidates, those who support the progressive thought will give first their vote to those candidates with whom they are connected in a political party, and then to the candidates of the next poltical party that more nearly represents their views; and in that way the result will be disastrous for the Conservative party.

Mr. STEVENS: Will my hon. friend—

Mr. McMASTER: Time is precious, and frivolous questions will not be answered. Why is that the reason? Because the Conservative party, when the Liberal thought of this country was united, was never able to win an election, and whenever they have won an election it has been when the Liberal or Progressive thought of the country was divided. Hence their fear of the single transferable vote.

Now let me consider some of the arguments used by my hon. friend from Vancouver Centre (Mr. Stevens). He said that that interesting city had tried this scheme for the long period of three years, and had then found that it was inadvisable to continue it on a plebiscite in which about four thousand of the people voted out of forty-four thousand, and the system was abandoned by a considerable majority. I hold in my hand a clipping from a paper entitled, The Joke on Vancouver. It reads as follows:

> The city of Vancouver, after using proportional representation for two or three years in its municipal elections, discarded it and went back to the old system this year. The argument used against proportional representation in Vancouver was that it had made no difference in the election results. Scores of citizens were quite sure that the same men would have been elected under the old system as under proportional representation; therefore, why introduce a more complicated system when it gave no benefit? One of the men who was most active in the fight to discard proportional representation was L. D. Taylor. In the election a few days ago Mr. Taylor was one of the mayorality candidates in a three-cornered contest. The other candidates were Alderman Owen and Alderman Pettipiece. Owen was elected. Pettipiece was the low candidate. It is now realized at Vancouver that if proportional representation had been in force Taylor, in all probability, would have been elected when Pettipiece would have been counted out and his votes distributed. Owen, the new mayor, was elected on a minority vote.
>
> Discussing the situation, the Vancouver Province says:
>
> "'Poetic justice,' is how Mr. Garfield King, one of the principal proponents of the proportional representation system in the city, describes the result of the mayoralty election.
>
> "Under proportional representation, he believes that Mr. L. D. Taylor would have received a large majority of the 2,459 votes polled for Alderman Pettipiece.

So it would appear that perhaps the system which was tried out in this city might be a good system, even though it was abandoned for the time being. Winnipeg has

had this system for a number of years; it has operated in several elections and has given satisfactory results there. It would appear that the counting of the votes caused great objections to the system as applied in Vancouver; whether the people of Winnipeg were better mathematicians than those of Vancouver is a question which I will not attempt to answer. What we want in this country is representative government. Do we get representative government under our present system? We do not get thoroughly representative government under a system which will allow great political parties to remain unrepresented in this House when the number of their adherents in the different provinces runs into some thousands. The hon. member for Vancouver Centre has made an appeal to British practice and to British tradition, and he is quite right in that. I will draw his attention to the words of a great British statesman, the Hon. Herbert H. Asquith, who, in advocating proportional representation, said, "There should not be a strain of public opinion unrepresented in this House."

The tendency may be, it is stated, to multiply groups. I doubt that, but if there are substantial groups of public opinion in this country unrepresented by the official parties it is infinitely better that those groups should be multiplied in order that every strain of public opinion may find expression in this House. I cannot believe that parliamentary institutions will be effective unless proper provision is made for different strains of public opinion. It may be that in the future we will be unable to divide the Canadian people into two great groups. It may happen that we may have that system restored, and it may be that another system may have to be worked out. I believe that this system of proportional representation offers a reasonable and proper method under which sincere differences of public opinion may be represented. There is a great deal of artificiality in the present condition of our political parties and the present division. Why, we had the other day the member for West Toronto (Mr. Hocken) urging the old Liberal principle of representation by population, and we have the member for Vancouver Centre to-day talking very much the way a Stuart talked at the time of Cromwell. The appeal to British tradition was somewhat strange in view of the fact that we have to-day a group system of parliamentary government in Great Britain. We have a Labour party on the treasury benches, and it represents a minority of the people and a minority in the House.

Mr. HOCKEN: Government by minority.

Mr. McMASTER: "Government by minority," ejaculates the member for West Toronto. It is quite true that in the future the minority whose views correspond more nearly than the views of any other group in the House may be given the responsibility of government with the control exercised by other groups in the House. That is a possible development of our British constitutional system. Our British constitutional system is not remaining the same; its very flexibility is one of its greatest virtues.

Now, I approach the discussion of this question this afternoon in very much the same position as the member for Vancouver Centre: I had not expected to take part in the debate and I have not material under my hand for a discussion of the matter in detail. But the point to be remembered is this: That our present system does not accurately or adequately reflect the differences of public opinion in our country and we have to seek out a method other than the method at present adopted. I think the sparseness of our population in most parts of this country makes proportional representation impracticable. In our large areas in the western provinces, in rural Quebec and in rural Ontario, I do not believe that in most cases proportional representation is possible, but I do believe it should be adopted in the large cities. I believe it should be adopted in Toronto; I believe it should be adopted in Montreal.

Mr. HOCKEN: It would not make any difference in Toronto.

Mr. McMASTER: I do not know whether it would or not, but it would do this: If there are ten seats in Toronto and there are twenty or thirty per cent of Liberal votes in Toronto, then out of the ten seats the Liberals would get two or three. And the same way in Montreal: if there is a small proportion of Conservatives in Montreal this system would give them proper representation. To-day we find that Toronto is represented entirely by Conservatives and that Montreal is represented entirely by Liberals.

Mr. JACOBS: No—Liberals in name, some of them.

Mr. McMASTER: At least they are counted as Liberals, and for the purposes of my discussion I will do them the compliment of calling them Liberals. I say that it is an unwholesome condition—and anyone who thinks for a moment will agree with me—to have the representation of one great city all one way and the representation of another

great city all the other way, especially when the number of people belonging to the different political parties make that representation an untrue and improper representation of the public opinion of those cities. What we want in this country is a method of election which will ensure an adequate and proper representation of the real thoughts and the real opinion of the people upon public matters.

Mr. DONALD SUTHERLAND (South Oxford): Mr. Speaker, I am afraid that the three minutes left before six o'clock will scarcely be long enough to give the explanation I should like to make in reply to the question asked by the hon. member for Brome (Mr. McMaster). I was not aware that this resolution would be debated to-day. I have listened with a good deal of interest to some of the statements which have been made, and particularly to the references that have been made to a resolution calling for the transferable or alternative vote which was passed at the last session of parliament. A good many things have happened during the past year; a good deal of light has been thrown on the actions and motives of some of the people of this Dominion as well as of other countries, and I think it is about time that we were speaking frankly what we believe to be the fact, and that we should cast aside this camouflage which has been attempted by a good many people of this Dominion so far as political parties are concerned.

To my mind the object that is sought by the alternative vote, which is coupled with this resolution, is one that is intended to carry out the designs of the members of the two parties calling themselves the Progressive party and the Liberal party, whereas, as a matter of fact, there is absolutely no difference between the two. I think the people of this country thoroughly understand their object, what they have in view, and the means by which they are going to take advantage in a scheme of this kind. For that reason I must say that I am absolutely opposed to any further experiments along the line suggested by the most impractical members of the House, the hon. member for Brant (Mr. Good), and his colleague the hon. member for Brome (Mr. McMaster). They are always ready to venture into some field where no definite results are in evidence; yes to enact freak legislation, as one hon. member suggests.

Just a little over a year ago last March, there was a meeting held in the city of Ottawa of the Liberals of eastern Ontario, and statements were made at that time by prominent men in connection with matters which are affected by the resolution before us. With your permission, Mr. Speaker, I should like to refer to the remarks that were made by one or two speakers on that occasion. I quote from the Ottawa Journal of March a year ago:

Mr. J. W. Curry, K.C., M.L.A., Toronto South-east, seat "A," after saying that the convention of eastern Ontario Liberals was to him an eye-opener, proclaimed himself a consistent believer in Liberalism which meant progress and the betterment of the people. The political situation which developed in Ontario in 1919 was a protest against Toryism. The United Farmers of Ontario had organized and developed as a protest against the actions of the Conservative party in power. Mr. Curry referred to his support of the U.F.O. government headed by Premier Drury, known for years as a staunch Liberal, and the help he had given in moulding legislation. As a result, he was told he had deserted the Liberal party, and the suggestion was made that he be read out of the party. No man could divorce him from his Liberal principles. He was behind the Liberal leader, and would be behind that leader if three parties went to the country.

What clearer evidence could you have than this statement, made by a Liberal member of the Ontario legislature with regard to his attitude?

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

Thursday, April 3, 1924

The House met at three o'clock.

UNITED CHURCH OF CANADA

Mr. J. D. CHAPLIN (Lincoln): Mr. Speaker, I beg leave to present the petition of Rev. George H. Smith, D.D., of St. Catharines, in the county of Lincoln, against the petition praying for the incorporation of the United Church of Canada, on the ground that the said petition is not in conformity with the standing orders of this House.

SELECT STANDING COMMITTEES

BANKING AND COMMERCE

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the name of Mr. R. Milne be taken from the list of members comprising the standing committee on Banking and Commerce and that the name of Mr. J. Steedsman be inserted in lieu thereof.

Motion agreed to.

CRIMINAL CODE AMENDMENT—PRINTER'S LIABILITY

Mr. A. W. NEILL (Comox-Alberni) moved for leave to introduce Bill No. 29, to amend the Criminal Code (Printer's liability).

Some hon. MEMBERS: Explain.

Mr. NEILL: The object of this legislation is to provide that any paper, or pamphlet, or circular, printed and intended for publication and distribution, shall contain on it the name and address of the publisher. The object of this is to facilitate the identification of the publisher of any circular, or pamphlet, or article, of that character. It is becoming increasingly frequent now that we find pamphlets circulated, containing, as this explanation states, "false, defamatory and libellous statements," sometimes seditious statements, which are intended for circulation in an anonymous way. This will check that. I may say that the legislation follows that in Britain going as far back as the year 1839 and revised since then.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PORT NELSON HARBOUR FACILITIES

Mr. EVANS:

1. Have any steps been taken, or men despatched, during the year 1923 to Port Nelson for the purpose of destroying, or impairing, or affecting in any way, the work already done there in preparation for establishing port and harbour facilities?
2. If so, how many men were sent, what was done, and what was the reason for so doing?

Hon. Mr. GRAHAM:

1. No.
2. Answered by No. 1.

D.S.C.R. AND PENSIONS—MONTREAL STAFF

Hon. Mr. MANION:

1. How many medical practitioners, including surgeons and specialists, are employed by the Department of Soldiers' Civil Re-establishment and Pensions in Montreal?
2. What are their names and salaries?
3. How many other employees are there in Montreal of these departments?
4. What are the total salaries of these other employees?

Hon. Mr. BELAND:

1. 12.

2.

Name.	Position.	Salary.
Brannen, Dr. J. P.,	Unit Medical Director	$4,800
Brown, Dr. E. R.,	Aurist. (P.T.)	2,400
Byers, Dr. J. R.,	Chest Clinic. (P.T.)	3,000
Charland, Dr. L. C.,	Pensions Examiner	4,000
Gowdey, Dr. W. C.,	Medical Officer. (P.T.)	1,800
Keenan, Dr. C. B.,	Consultant in Surgery. (P.T.)	2,700
Peters, Dr. E. A.,	Consultant in Medicine. (P.T.)	2,700
Pirie, Dr. A. H.,	X-Ray Specialist. (P. T.)	2,400
Ranger, Dr. L. E.,	Medical Officer.	3,600
Rivet, Dr. A. N.,	Medical Officer. (P. T.)	1,800
Robertson, Dr. E. A.,	Pensions Examiner	4,000
Ruddick, Dr. W. W.,	Medical Officer	4,000
Total		$37,200

3. 97; which includes dental staff; nurses. orderlies; laboratory technicians; X-ray technicians, etc., as well as clerical and administrative staff.

4. $124,832.

CANADIAN NATIONAL RAILWAYS—ROLLING STOCK

Mr. ROSS (Kingston):

1. How many cars and locomotives have been ordered in the United States for the Canadian National Railway system since January 1st, 1922?
2. How many of these have been built?
3. How many cars and locomotives were built in Canada for the United States railways, in Canada or elsewhere, since Janunary 1st, 1922?

Hon. Mr. GRAHAM:

1. For lines in the United States:
24 engines for Central Vermont railway.
51 engines for Grand Trunk western lines.
20 cars for Central Vermont railway.
1,227 cars for Grand Trunk western.

2. All except 15 locomotives for Grand Trunk western lines.

3. So far as Canadian National Railways are concerned, none.
As to other railways, no information.

PULPWOOD COMMISSION

Hon. Mr. STEVENS:

1. Has the royal commission on pulpwood completed its hearings?
2. Was the commission authorized to make investigations in New York?
3. What investigations has the commission been making in New York?
4. When does the government expect its report?

Hon. Mr. ROBB:

1. The commission has taken evidence in all parts of Canada and it is not expected that further public hearings will be necessary.

2. The commission was instructed to make a complete inquiry and was expected to exercise its own discretion in doing so.

3. The chairman, deputy chairman and secretary went to New York informally to consult with informed men on statistics and other matters relevant to the inquiry, and to check up some opinions expressed during the inquiry.

4. Before the end of the session.

QUEBEC HARBOUR COMMISSION

Mr. HANSON:

1. Referring to question No. 11, answered March 27, 1924, with respect to advances to the Quebec Harbour Commission, what loans or advances have been made to said commission by the government prior to 1912?

2. Have any moneys been borrowed by or advanced to said commission by any person, corporation or bank, by way of overdraft or otherwise, under the guarantee or promise of the guarantee of the government of Canada or any department thereof?

Hon. Mr. CARDIN:

1. $4,156,550.58.

2. The Harbour Commissioners carry an overdraft with their bankers on the security of advances on loan due to be made as works progress. No advances are made until an equal amount of expenditure in their prosecution has been incurred. No guarantee or promise of guarantee for repayment of any funds advanced by the bank to the commissioners has been given by the government or any department thereof so far as the Department of Marine and Fisheries is aware.

PHYSICIANS, D.S.C.R.—OTTAWA

Mr. BLACK (Yukon):

1. Does the number of medical doctors stated to be eighteen in reply to a question on March 26, 1924, as to how many medical doctors in Ottawa are in the employ of the Department of Soldiers' Civil Re-establishment, include those employed by the Board of Pension Commissioners and the Federal Appeal Board?

2. If not, how many medical doctors are employed in those branches of the Department of Soldiers' Civil Re-establishement, including the commissioners and members of the Appeal Board?

Hon. Mr. BELAND:

1. No.

2. The Board of Pension Commissioners and the Federal Appeal Board are not branches of the Department of Soldiers' Civil Re-establishment, nor are they subject to control by the department. The information asked for is as follows:—

(a) The Board of Pension Commissioners is composed of three commissioners of whom two are medical doctors. The board has nine medical advisers in its employ.

(b) The Federal Appeal Board is composed of five commissioners of whom two are medical doctors. This board has two medical advisers.

GOLD EXPORTS AND IMPORTS

Hon. Mr. MANION:

1. What was the value of gold exports from Canada during each of past ten years?

2. To what countries were such exports made?

3. What was the value of gold imports into Canada in past ten years?

4. From what countries was this gold imported?

Hon. Mr. BUREAU:

1 and 2.

EXPORTS, FISCAL YEARS 1914 TO 1923

Item and Country	1914	1915	1916	1917	1918
	$	$	$	$	$
Gold Coin:—					
United Kingdom	120	45	3,700	.....	.....
Bermuda	.....	.....	.....	1,057	.....
Hong Kong	.....	40	.....	109,996	209,118
Newfoundland	24,330	285,841	108	43,800	42,183
Alaska	19,500	10,000	4,000	40,890	6,270
China	.....	.....	.....	.....	17,778
British India	.....	.....	.....	.....	345,000
United States	22,177,197	27,939,047	102,310,473	46,186,011	1,257,138
Total	22,221,147	28,234,973	102,318,281	46,381,754	1,877,487

	1919	1920	1921	1922	1923
	$	$	$	$	$
United Kingdom	260	60,058	.....	.....	.....
Bermuda	.....	.....	.....	.....	.....
Hong Kong	34,485	300,568	102,422	.....	.....
Newfoundland	14,600	.....	.....	500	.....
Alaska	.....	.....	.....	.....	.....
China	.....	.....	.....	.....	.....
British India	.....	.....	.....	.....	.....
United States	23,444	24,576,683	9,336,003	5,027,313	25,001,170
Trinidad	137,298	.....	.....	.....	.....
Total	210,087	24,937,309	9,438,425	5,027,813	25,001,170

EXPORTS, FISCAL YEARS 1914 TO 1923—*Concluded*

Item and Country	1914	1915	1916	1917	1918
	$	$	$	$	$
Gold bearing quartz, dust, nuggets and bullion directly derived from mining or smelting operations:—					
United Kingdom	3,381	105,324	.....	195,434	.....
Hong Kong	720	.....	.....	.....	3,785
Newfoundland	.....	.....	.....	.....	401
Alaska	.....	.....	.....	.....	.....
China	.....	.....	.....	.....	.....
France	.....	.....	.....	.....	.....
Germany	.....	6,831	.....	.....	.....
United States	13,372,634	15,296,864	23,989,909	19,475,592	13,684,514
Total	13,376,735	15,409,019	23,989,909	19,671,026	13,688,700

	1919	1920	1921	1922	1923
	$	$	$	$	$
United Kingdom	.....	8,200	195	326	.....
Hong Kong	.....	.....	.....	.....	.....
Newfoundland	.....	.....	.....	.....	.....
Alaska	50	7,367	.....	.....	.....
China	.....	582,478	.....	.....	.....
France	.....	.....	2,500	.....	.....
Germany	.....	.....	.....	.....	.....
United States	9,201,983	5,377,603	3,036,084	2,534,429	5,449,469
Total	9,202,033	5,975,648	3,038,779	2,534,755	5,449,466

Item and Country	1917	1918	1919	1920	1921	1922	1923
	$	$	$	$	$	$	$
*Gold Bullion, n.o.p.:—							
United States	148,752,755	206,062,376	39,841,697	23,856,862	24,290,846	18,082,533	1,761,415
Venezuela	.....	250,000	.....	.....	.....	.....	.....
Total	148,752,755	206,312,376	39,841,697	23,856,862	24,290,846	18,082,533	1,761,415

*Included in gold bearing quartz, etc., up to 1917.

3 and 4.

IMPORTS, FISCAL YEARS 1914 TO 1923

Item and Country	1914	1915	1916	1917	1918
	$	$	$	$	$
Coins, British, Canadian and foreign gold coin:—					
United Kingdom	267	2,612	2,606,025	20,348	500
Australia	.....	.....	2,360,333	.....	.....
Bermuda	.....	.....	465	.....	350
Jamaica	.....	.....	.....	.....	.....
British West Indies	.....	.....	794	590	.....
Hong Kong	500	.....	.....	.....	.....
Newfoundland	828	2,360	1,169	.....	.....
New Zealand	.....	.....	973,333	.....	.....
Alaska	8,700	.....	.....	.....	.....
France	.....	.....	.....	.....	.....
Hawaii	.....	.....	390	.....	.....
Japan	.....	.....	.....	.....	.....
Miquelon and St. Pierre	.....	.....	.....	.....	.....
United States	13,649,197	117,050,052	26,195,399	8,632,425	9,914,911
Total	13,659,492	117,055,024	32,137,908	8,653,363	9,915,761

IMPORTS, FISCAL YEARS 1914 TO 1923—*Concluded*

Item and Country	*1919	1920	1921	1922	2923
Coins, British, Canadian and foreign gold coin—*Concluded.*		$	$	$	$
United Kingdom	.....	8,222	1,119	3,643	7,389
Australia	.....	.....	.....	.....	.....
Bermuda	.....	.....	.....	.....	1,662
Jamaica	.....	.....	.....	118	.....
British West Indies	.....	205	.....	.....	.....
Hong Kong	.....	.....	.....	.....	.....
Newfoundland	.....	.....	.....	.....	2,000
New Zealand	.....	.....	.....	.....	.....
Alaska	.....	.....	14,878	9,280	.....
France	.....	.....	160	300	.....
Hawaii	.....	.....	.....	.....	.....
Japan	.....	.....	.....	.....	15,228
Miquelon and St. Pierre	.....	.....	3,400	215	.....
United States	.....	4,335,447	6,084,636	3,858,593	25,541,141
Total	.....	4,343,874	6,104,193	3,872,149	25,567,420

*No records for 1919. Records for other war years incomplete owing to war conditions.

Item and Country	1914	1915	1916	1917	1918
Gold bullion in bars, blocks, ingots, drops, sheets or plates, unmanufactured:—	$	$	$	$	$
United Kingdom	203	7	98,409	14,646,131	31
Hong Kong	.....	.....	.....	.....	68,142
Newfoundland	.....	.....	.....	.....	100
New Zealand	.....	.....	.....	.....	.....
Alaska	4,000	3,549	22,053	.....	.....
France	.....	.....	85	622	.....
United States	834,756	14,424,816	1,617,772	3,686,432	1,306,287
Total	838,959	14,428,372	1,738,319	18,333,185	1,374,560

	*1919	1920	1921	1922	1923
		$	$	$	$
United Kingdom	.....	45,023,815	.....	3,884	6,155
Hong Kong	.....	.....	.....	.....	.....
Newfoundland	.....	.....	.....	.....	.....
New Zealand	.....	.....	26,387	.....	.....
Alaska	.....	.....	.....	.....	.....
France	.....	.....	525	353	227
United States	.....	1,095,805	1,087,670	911,860	881,429
Total	.....	46,119,620	1,114,582	916,097	887,811

*No records for 1919. Records for other war years incomplete owing to war conditions.

MR. LEMELIN

Mr. DOUCET:

1. Has Mr. Lemelin, lighthouse-keeper at St. François Ile d'Orleans, been dismissed, and if so, when?
2. Why was he dismissed?
3. Was political partisanship given as the reason, and if so, who made the allegation, and was an investigation held to ascertain the truth?
4. If an investigation was held, who held it, when was it held, and what was the verdict?

Hon. Mr. CARDIN:

1. Yes. Order in council dated 22nd December, 1923.

[Mr. Bureau.]

2. On ground of political partisanship.

3. Yes. Mr. H. E. Lavigueur, M.P., stated from personal knowledge that Mr. Lemelin was engaged in political partisanship. No investigation was necessary.

4. See answer to No. 3.

T. GEORGE MACKENZIE, MEXICAN CAPTIVE

Mr. CHURCH:

1. Is the government aware that a British subject, a Canadian domiciled in Canada, namely T. George MacKenzie, general manager of the Compania Company, has been taken prisoner by the provisional government of Mexico, and held, it is said, for ransom?

2. If so, will the government endeavour to secure his release by negotiations or otherwise, and what has, or is being, done?

3. Has the government communicated with His Majesty's government of Great Britain on the subject?

Right Hon. Mr. MACKENZIE KING:

1. The government is aware that Mr. T. G. Mackenzie has been taken prisoner by bandits in Mexico (Villistas) and held for ransom.

2. The government has caused the attention of H. M. Ambassador at Washington to be called to this matter, and His Majesty's Chargé d'Affaires at Mexico was asked to take steps for Mr. Mackenzie's immediate release and protection. The Chargé d'Affaires took the matter up with the government of Mexico and was assured that "no effort will be spared to recover Mr. Mackenzie". Reports have been received from time to time from the Chargé d'Affaires at Mexico, but Mr. Mackenzie has not as yet been released, although he is said to be well and making himself popular with his captors.

3. His Majesty's government has been informed of the capture of Mr. Mackenzie through His Majesty's Ambassador at Washington

CIVIL SERVICE COMMISSION—BUILDINGS OCCUPIED

Mr. BOURASSA:

1. What was the total floor space occupied by the Civil Service Commission in Trafalgar Building during years 1917, 1918, 1919 and 1920, inclusive?

2. How much rent was paid annually for each of those years?

3. What was the total floor space occupied by the Civil Service Commission in Hunter Building during years 1920, 1921, 1922, 1923 and 1924, inclusive?

4. How much was the occupied space valued in annual rental for each year?

5. How much floor space was occupied by the Civil Service Commission in Bank Street Chambers?

6. For what purpose??

7. During what years?

8. What was the total floor space occupied each year and how much rent was paid for each year?

Hon. Mr. KING (Kootenay):

1 and 2.

Trafalgar Building—Floor space.	Rental for calendar year
Year 1917, 3,843 square feet.....	$3,777 28
Year 1918, varied from 3,843 square feet to 4,846 square feet.	4,169 43
Year 1919, 4,846 square feet, (vacated October 31/19).....	3,634 00 (for 10 months)
Year 1920, None	

3 and 4.

Hunter Building—Floor space.	Estimated rental
Calendar year 1920, 13,849 square feet.....	$14,195 65
Calendar year 1921, varied from 13,849 square feet to 21,655 square feet.....	20,531 58
Calendar year 1922, varied from 21,655 square feet to 20,011 square feet.....	21,106 05
Calendar year 1923, varied from 20,011 square feet to 22,193 square feet.....	21,870 62
Calendar year 1924, to March 31st 22,393 square feet..	5,651 02 (3 mos.)

5. 3,423 square feet.

6. Space in Bank street Chambers was required owing to lack of accommodation in offices occupied by the commission.

7. From June 10th, 1920 to November 30th, 1921.

8.

1920, 3,423 square feet, rental June 10 to December, 31.....	$1,236 08
1921, 3,423 square feet, rental, January 1st to November 30.	2,039 54
	$3,275 62

BANFF POWER PLANT

Mr. McQUARRIE:

1. What has been the cost to date of the installation of the electric power plant at Banff?

2. What is the estimated cost to complete this plant?

3. How much power is to be developed?

4. How much of this power is sold, and what is the revenue therefrom?

Hon. Mr. STEWART (Argenteuil):

1. Up to February 29 last, the cost of the installation of the new electric generating plant at Banff was $184,619.01.

2. $21,000 from February 29 last.

3. The present installation provides for an initial development of 960 horse-power, and an eventual development of 1,440 horse-power.

4. Approximately two hundred horse-power is sold at the present time, with a monthly revenue averaging $2,600, and an estimated yearly revenue of $31,200.00.

QUESTIONS PASSED AS ORDERS FOR RETURN

HEALTH DEPARTMENT OFFICIALS

Mr. ANDERSON:

1. What are the names of the officials in the Department of Health in Ottawa and what are their respective salaries?

2. How many persons were in the employ of the said department, inside and outside service, during the fiscal years 1921-22, 1922-23, 1923-24?

BRITISH COLUMBIA LIQUOR TRADE

On the question:

Hon. Mr. STEVENS:

1. What amount of liquor has been imported into British Columbia during the calendar years 1922 and 1923?
2. What amount of liquor remained in bond and later released for export?
3. What amount of liquor was released for local consumption?
4. What amount of revenue was secured for liquor released for local consumption?
5. What amount of gross revenue was received from liquor in bond, and what is the total refund under the regulations controlling liquors in bond during the said years?

Mr. STEVENS: I had the courtesy of a conversation with officers of the Customs Department, and they point out certain impossibilities in this question. I have a change to suggest, and then, with the permission of the House, I wish to ask that it pass as an order for return. I would suggest that the word "imported" in the first line should be changed to "brought;" that in the last question, after the word "revenue," the words "or security" be inserted and that after the word "refund," the words "or release" be inserted. With these changes, if the question could pass as an order for return, I have no doubt it could be dealt with.

TREATY OF PEACE WITH TURKEY

STATEMENT IN EXPLANATION BY THE PRIME MINISTER

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING: (Prime Minister): Yesterday my right hon. friend the leader of the opposition (Mr. Meighen) asked me, in the course of the remarks I made on the subject of the Treaty of Peace with Turkey, whether there was a reply to a despatch I had referred to, of December 31, 1922. I answered that there was not. I regret to say that I was mistaken in that regard; the fact that there was such a reply escaped my attention in looking over the files I had before me. That reply was to the effect that the British government acquiesced in the view that the plenipotentiaries who negotiated the treaty should be the parties to sign it. I will see that the despatch is submitted to my right hon. friend with the other papers.

THE BUDGET

On the Orders of the Day:

Sir HENRY DRAYTON (West York): Can the Acting Minister of Finance (Mr. Robb) tell us when the budget is likely to be brought down?

Hon. J. A. ROBB (Acting Minister of Finance): May I remind my hon. friend, who himself had more than once the responsibility of bringing down the budget, that the financial year has only ended this week, and he knows that the officers of the department should have at least a little time to check up accounts.

Sir HENRY DRAYTON: I am not complaining; I merely want to know. I see that the newspaper reports say that it may be brought down any time.

Mr. ROBB: I will let my hon. friend know a couple of days in advance.

Sir HENRY DRAYTON: I think the House should have longer notice than that.

CHIEF INSPECTOR OF FISHERIES, VANCOUVER

On the Orders of the Day:

Mr. LADNER: Is the government seriously entertaining the proposal to abolish the office of Chief Inspector of Fisheries at Vancouver? If so, has it consulted all parties concerned?

Mr. CARDIN: The matter is under consideration.

PACIFIC HALIBUT FISHERY

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the third reading of Bill No. 21, to amend the Northern Pacific Halibut Fishery Protection Act.

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

CANADIAN NATIONAL RAILWAYS

BILLS PROPOSED TO AUTHORIZE THE CONSTRUCTION OF BRANCH LINES

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide for the construction of a Canadian National railway line from Rousseau, on the Canadian Northern Quebec railway, to Laurent, on the Quebec and Lake St. John railway, in the province of Quebec; estimated mileage including existing grading, 17 miles; estimated cost, $1,000,000.

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

ROUSSEAU-LAURENT

Mr. GRAHAM: I desire to lay on the Table a communication from Sir Henry Thornton.

Mr. MEIGHEN: In regard to any particular line, or all?

Mr. GRAHAM: It covers in a general way, I think, everything.

Mr. MEIGHEN: Not too general, I hope.

Mr. GRAHAM: It is a communication from the president of the Canadian National Railways; I did not write it. The statement is as follows:

Rousseau-Laurent cut-off, mile 0-17	Cost
Proposed in 1925—17 miles grade..	$ 719,500
Proposed in 1926—17 miles track and ballast	280,500
	$1,000,000

It is proposed in 1925 to grade the 17 miles this line involves, at an estimated cost of $719,500, and in 1926 to complete it with track and ballast, etc., at a further cost of $280,500.

The purpose of this line is the first and most important step in the grade reductions of the route from Lake St. John country south. The present grades on part of this route are too steep for economical operation. On the engine division between Lake Edward and Garneau Jct. they are 2 per cent in each direction, and between Rousseau and Laurent is the worst section of this engine run. The proposed cut-off will have .5 per cent grades in each direction and will avoid a rise of 200 feet in each direction.

The business from this line to Montreal and points beyond is steadily increasing, and very large engineering enterprises are now under way in the Lake St. John district, for hydro-electric and the paper industry development. If the expenditures now being made there are justified, it means the business to and from this district must be increased by several times the present quantity. Our line without improvement is not in shape to cope with much more business, and without grade reduction would soon come to the limit of its capacity. Another phase of the matter is that with the present freight rates and costs, it is not possible on bulk tonnage to get sufficient tonnage behind a locomotive to pay direct out of pocket expenses while operating over the present grades. This means that increased business instead of helping us only puts us further in the hole, whereas, if we reduce the grades, we can look forward to increased tonnage eventually contributing to our net profits, in an increasing ratio.

There are further grade revisions necessary to make this line a .5/10 per cent gradient route. Taking all of them into account it has been shown that, with increased business the operating saving will pay a handsome return on the amount involved. Awaiting confirmation of expected increases in business, no work is proposed till 1925, when it is anticipated this work will be badly required.

Note.—Revision of Line to Lake St. John.

I think it will be well if I read to the committee the letter I have received from Sir Henry Thornton:

Canadian National Railways
Office of the Chairman and President.
Montreal, Que. April 2nd, 1924.

Hon. GEO P. GRAHAM, M.P.,
Minister of Railways and Canals,
Ottawa.

Dear Sir,

With respect to the branch line programme of the Canadian National Railways, I desire to place before you the policy which governed the company in its recommendation, and the specific reasons and other data for the construction of each line.

In the preparation of the branch line programme, the following factors were given due weight:

(1) The money already spent and the work already done on each line, where such conditions existed;

(2) The strategic, economic and traffic value of each branch;

(3) The measure of relief afforded to farmers through shortening the road haul on grain and other products;

(4) A regard for the presumable aggregate sum which the finances of the Dominion would permit to be devoted to such a purpose.

After having given proper weight to the factors above mentioned, the programme which has already been submitted to you was prepared and, in addition, it was suggested that the programme, should, if adopted, be spread over a period of three years, the authority remaining alive until August 31, 1927. The objective sought in extending the life of the vote for three years was to provide that continuity of construction which is essential for economy and to enable the engineering and construction department of the railway, as well as contractors, to lay out their work in the most effective fashion. The practice is well recognized by private railways under whose administration sums, when voted by the shareholders, remain in the hands of the executive until the work is completed or authority rescinded. There would seem to exist an analogy between the shareholders of a private company in their relation to the executive, and the parliament of the Dominion of Canada in its relation to the Canadian National Railway system, which would justify such a policy if the experiences of private undertakings are of value.

Varying prices of labour and material, adverse climatic conditions and the difficulty of securing labour during the period of harvest render it imperative that an early start should be made each year if construction work is to be prosecuted with speed and economy and this, it is submitted, will not result if each branch line is to be subjected to an annual vote.

Appertaining to the Canadian National's branch line programme, for which you are submitting enabling bills to parliament, appended hereto are statements with reference to each line which set out the purpose and justification for each. While it is true that all of these lines may not be entirely justified from the present railway economic standpoint, particularly if viewed from their first few years' operations, broader grounds must be considered when preparing a system of feeders for a railway of the magnitude of that which has been entrusted to the present administration of the National Railways.

The first problem that arises from examination of the Canadian National Railways system is to ascertain the main and underlying cause of the deficits, and it is at once apparent that, although certain economies of operation and co-ordination of the various units comprising the system may materially improve the "net" position, the basic cause is found in the fact that the mileage is much too great for the traffic. The apparent answer to the necessity for more business is more people and a further development of those resources which nature has provided with a generous hand. This end can only be speedily attained by the immigration of both settlers and capital and my various officers and myself, realizing this need, have consistently endeavoured to promote both. No confidence can exist in those who lack faith in themselves. My survey of this Dominion gives me unlimited confidence in its ultimate destiny without which there could be no faith in the final success of the national lines.

Therefore we are looking to develop this vast country, at present but too sparsely settled, and asking people to emigrate and join us in this development. But what do we find? Certain sections of the country are losing the very population we are so anxious to augment. Why are these sections being depopulated? Chiefly through a lack of railway facilities, particularly on the prairies, and the question naturally arises, "Is not the settler, who has manfully demonstrated his ability to bring products from the soil, worth many times the untried immigrant? If we are to bring people into the country we

should certainly not allow them to meet others who are departing in a discouraged frame of mind. Therefore, not only are branch lines necessary to develop the country and provide reasonable facilities for the immigrant, but also to retain that part of our population which has so courageously planted itself on the land.

It is not likely that the Canadian National Railways will suffer materially from a financial view, for three or four or perhaps five years if the branch line programme herein contemplated is abandoned, but it is inevitable, that should such a thing come about, at the expiration of a period of years the system will find itself robbed of all further opportunity for reasonable development. Strategic territories will have been seized by other transportation interests, and the railway will dry up at its roots. I can think of no more effective way to eventually bring about the ruin of the Canadian National Railway system than a refusal to embark upon and consistently maintain a branch line programme. No railway can stand still, and success can only be achieved by keeping abreast of the times in the fulfilment of transportation responsibility. This is even more important in a growing and rapidly developing country.

I particularly desire to make it clear that the recommendations herein contained are based not only on present day conditions but also have regard for the probable volume of traffic which would result from the settlement of the country in years to come.

I therefore endorse the programme which has been submitted to you as representing, after full consideration of all facts and factors, that minimum which is essential to the needs of the communities served by the Canadian National Railways, and the system itself.

Yours faithfully,

H. W. THORNTON,
President.

There is a note at the bottom in reference to the "Grande Fresniere Mile 0-12," which intimates that an arrangement may possibly be made with the Canadian Pacific Railway which would obviate the necessity of building this line.

Sir HENRY DRAYTON: Which line is that?

Mr. GRAHAM: The Huberdeau branch. That is in Quebec. If this arrangement is effected, this construction would not be necessary.

Sir HENRY DRAYTON: Before reading the letter of Sir Henry Thornton describing the situation, the minister read a statement dealing with this particular line. Is that a statement of Sir Henry Thornton?

Mr. GRAHAM: This is the statement prepared by the officials of the Canadian National Railway, and in this letter the statements accompanying each bill are endorsed by the president.

Sir HENRY DRAYTON: So that is the statement referred to by the president in his letter?

Mr. GRAHAM: Yes.

Sir HENRY DRAYTON: Will the minister let us know which way this grade is? Is it in connection with the traffic north or the traffic south?

Mr. GRAHAM: I imagine that it is the traffic south to a large extent. The advantage of this proposal is that it will give a five-tenths grade in each direction.

Sir HENRY DRAYTON: If this grade is with the bulk of the traffic and not against it, it will make a difference. I would like to know the fact in regard to that.

Mr. GRAHAM: The grade is against the bulk of the traffic, as I understand it.

Sir HENRY DRAYTON: Then that grade is a lifting grade in the southerly movement?

Mr. GRAHAM: I imagine there is a grade both ways probably. The memorandum says—

"And will avoid a rise of 200 feet in each direction."

Sir HENRY DRAYTON: I understand. Will the minister give the House the particulars as to the movement?

Mr. GRAHAM: I have not them.

Sir HENRY DRAYTON: I think we should have the weight of movement, so that we can see what will result from this arrangement. We should have the class of traffic and the direction in which it moves. Then we should also get the information as to other grades upon the same line, when they occur and what the grade is, for example, on the movement from Chicoutimi to the point of intersection. We should have the same information from the western terminus of the branch, and also the grade from Chicoutimi south. It may be that this is merely a minor grade connection, and we are committing ourselves to a whole lot of other expenditures in order to reduce this line to a grade of five-eighths.

Mr. GRAHAM: I think I read in this statement—I do not see it at the moment—that if we reduce the grades we could look forward to large increased tonnage per train.

Sir HENRY DRAYTON: Then we should have the full information.

Mr. GRAHAM: Well, this is all the grade that it will be necessary to remove by this expenditure. I have not the information my hon. friend wants, but I could get it for him when we are in committee on the bill. I can get all the engineering information.

Sir HENRY DRAYTON: The hon. minister will see the necessity of having the information.

Mr. GRAHAM: I think it is right we should have it.

Sir HENRY DRAYTON: Not only should we have the information as to class of traffic and the receipts from the line, but we should also have information as to the points between which it moves in each direction, so that we can properly consider the whole question.

Mr. GRAHAM: Yes.

Mr. MEIGHEN: Has the minister copies of an individual agreement as to each line?

Mr. GRAHAM: I put it on Hansard as we go along.

Mr. MEIGHEN: We do not get that for analysis until the next day. It is the memoranda that count.

Mr. GRAHAM: They are the explanation.

Mr. MEIGHEN: They are the only thing which can give us a basis for our individual judgment. This letter is virtually a Canadian Club speech; it does not furnish any matter upon which one can give an independent judgment.

Mr. GRAHAM: It is written to Canadians.

Resolution reported, read the second time and concurred in. Mr. Graham thereupon moved for leave to introduce Bill No. 30, respecting the construction of a Canadian National railway line between Rousseau and Laurent, in the province of Quebec.

Motion agreed to and bill read the first time.

GRANDE FRESNIERE-RINFRET

Mr. GRAHAM moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide for the construction of a Canadian National line from Grande Fresniere to Rinfret Junction, in the province of Quebec; estimated mileage including existing grading, 12 miles; estimated cost, $357,000.

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

Mr. MEIGHEN: This is the line referred to in the foot-note of Sir Henry Thornton's letter?

Mr. GRAHAM: I think I was in error in making that explanation a moment ago. I did not have the letter in my hand, and I was wrong in applying it to the resolution just passed. I think it applies to this one.

Mr. MEIGHEN: It refers to this one. As I understand it, this is a road that runs out and connects with a line of the Canadian National; then it runs out still further, and it is that further part which it is contemplated to sell to the Canadian Pacific, in which event the construction of this line would be an economic waste. Of course the amount, relative to the rest, is not very large. I see that the name of the hon. member for St. James (Mr. Rinfret) is to be immortalized; I would not object to that.

Mr. ETHIER: I understand from the memorandum from Sir Henry Thornton, which was read to the committee, that there have been negotiations between the Canadian Pacific and the Canadian National in regard to that branch line. What was the nature and the result of those negotiations?

Mr. GRAHAM: I do not know what the nature of the negotiations is; of course they have not been made public. But Sir Henry Thornton says that negotiations have taken place for the acquisition by the Canadian Pacific of a certain mileage, which, if it takes place will render the construction of this mileage unnecessary.

Sir HENRY DRAYTON: What are the minister's views as to the disposition of railway properties? Is that in the hands of the board, or does this parliament have something to say about it?

Mr. GRAHAM: My hon. friend has asked quite a large question. I think that up to the present the company has been disposing of properties—possibly the old Grand Trunk, not the Canadian National. I know that the old Grand Trunk since I became minister sold a number of properties, concerning which the government was not consulted. I say that subject to correction, because the question has been rather sprung on me.

Sir HENRY DRAYTON: I think my hon. friend is quite right.

Mr. HANSON: What about surplus lands, for instance, in connection with Canadian Government Railways? Does this company dispose of these lands without consulting the government?

Mr. GRAHAM: Oh, no; that could not be done. Those are government railways; the railways making up the Canadian National system, or part of it, are still company railways.

Mr. MEIGHEN: The government railway is only committed for management to the Canadian National Board; it does not belong

to the company. But in relation to the other properties which belong to the Canadian National Railway Company, I think the time has come when a line should be drawn to differentiate the authority of the board and the authority of parliament in that respect. I am free to say it is a phase of the whole problem which has not yet been solved. In fact, no phase of it has been solved in the last two years and three months.

Mr. GRAHAM: There were many phases left to be solved by us.

Mr. MEIGHEN: There are two or three left, but the great mass of the railway problem of Canada, in my judgment, is solved so far as policy goes. There is no question that it should not be within the power of the Canadian National Railway directorate to dispose of large capital assets of that company without even the authority of the government, to say nothing of the authority of parliament. I am aware, as is the minister, that it has been done, involving very large amounts. I do not know what authority of the government was given, but I know that the authority of parliament was not sought. If this be continued we might wake up some morning to find that we had no national railways at all. It seems to me that the government owes it to the House to examine carefully the legislation in that regard and to make a recommendation to parliament as to policy. I do not make these remarks with any special reference to this line; I make them with respect to the general policy of the country's greatest asset.

Mr. GRAHAM: This question of the disposition of property was up last year, I think, in the form of a question or return, and at that time I had a good many particulars before me. But I wholly agree with the leader of the opposition (Mr. Meighen) that as shareholders we should not dispose of our property without at least the Governor in Council giving his consent, under some amendment to the statute—either that or the authority of parliament being obtained. As my right hon. friend says, the problem is of such great magnitude that it is possible we might find some of our property disposed of which as a government or as parliament we would not think of selling. I have made a note of that and will have it looked into, and if necessary, bring down legislation this year to cover that point.

Mr. PREVOST (Translation): It is astonishing, Mr. Chairman, that the branch line, which is mentioned in this resolution, has not been built before this. I confess that I have not a full knowledge of all the details regarding the various lines mentioned in the twenty-six resolutions that the Minister of Railways has submitted to this House. It is only right to await the explanations of the minister and the information which will be supplied by the members of this House who are familiar with the advantages, utility and even the necessity of these various branch lines.

You will allow me, Mr. Chairman, to make a few remarks on the line just referred to and upon which I can speak with some knowledge, as it is situated within the region in which I reside. The present resolution states: "that it is expedient to bring in a measure to provide for the construction of a branch line of the Canadian National Railway between Grande Fresnière and Rinfret Junction, in the province of Quebec." The estimated cost would be $357,000.

Thirty miles to the north of Montreal, that is from St. Jerome—in the county of Terrebonne—at Arundel, in the county of Argenteuil—a state railway—the Canadian National serves a very rich region of mountains, valleys and plateaus, a region, to say the least, delightful both as regards its picturesque aspect and its natural resources. A large and laborious population of settlers, farmers and trading people inhabit that district and numerous tourists, whose number is ever increasing, meet in this region. Unfortunately, between Montreal, the metropolis of Canada, and those beautiful parts, there is, in the government railway system, a solution of continuity. No direct communication exists by the government railways, between this region and Montreal. Nevertheless, the Canadian National Railway between Montreal and Ottawa, passes at a distance of only twelve miles to the south of its northern route, and it is the building of those twelve miles that we ask this House to authorize.

I shall not take advantage of the occasion to discuss the state ownership of railways, to consider whether the principle is good or bad, whether its application is beneficial or not. I shall neither take advantage of the occasion to try and establish that it is responsible for the financial conditions of our railways, which has so heavily burdened our national budget. I accept the situation as it exists. The government of Canada is the owner of railways of which some lines are continuously showing deficits, deficits that must be met by means of taxes levied on the people. Other lines are assets or may

easily become so. Must the government for the sake of economy which I shall call, penny wise and pound foolish, persist in operating at a loss, unprofitable lines and they are such because they are unfinished or not complete? Should the government refuse to make certain outlays which would turn to assets those deplorable deficits? Would that be a fair test of state ownership, which is one of the principal planks of this government's programme?

The branch line of the Canadian National which is under discussion, is not showing deficits, and, I think, there is very little doubt, I even feel absolutely certain, that this line would yield substantial profits if the said project was carried out.

A railway company either independent or owned by the state, first looks after its own interests. This is natural and reasonable. It is undeniable that it would be in the interest of the Canadian National Railways to own the line under discussion. Indeed, a line which would connect directly with Montreal—the commercial distributing centre of our country —must necessarily be useful and profitable to the metropolis; a line which would connect Montreal with the northern region that I mentioned just now, could but be beneficial to the metropolis, to this northern region and the National Railways themselves. Such a line, even if it did not exist, at present in the Laurentian hills, should be constructed; however, it does exist; it exists in an unfinished state. This line, shortly, will be necessary to link the metropolis to the Transcontinental which passes to the north of that part of the country.

A few years ago the boards of trade and chambers of commerce of our principal towns sent petitions and delegates to the Dominion government to request the construction of this branch line between the metropolis and the Transcontinental. The line which at present exists—and which belongs to the state—extends already for a distance of one hundred miles to the north and in the direction of the Transcontinental. This is for the future; but for the immediate present, it is certain that the construction of the twelve miles under discussion would result in increasing the traffic considerably and raise the revenue accruing from all passengers, travellers and tourists.

A transportation company must not only consider its private interests, it must also look after the interests of the public, this is why legislators enact laws which govern transportation companies. It is also the reason that the government appoint commissions to watch over the service given by transportation companies, in order that the public interest be constantly and always safeguarded. This regard for the general interest, for the public welfare must especially be in evidence, I think, when it is the state itself which supervises the means of communication and transport. In constructing the said line, the government would be performing a worthy act for the public welfare, since it would be bringing nearer the city of Montreal to a rich region visited by thousands of travellers and tourists who ask for more rapid means of transportation. Colonization, farming, lumber and mining industries are very prosperous in this district. All traffic originating in those parts can only reach Montreal after a long journey. Thanks to the proposed line, the journey between the north country and Montreal would be reduced by 45 miles, which would be an enormous gain not only as to the time saved, but also as to the lower rates which would prevail on transportation. Over and above the advantages which this line offers as regards traffic, and of which trade and industries would largely benefit, there is another that is certainly not to be neglected and this concerns thousands of tourists.

When the same question was considered by the House last year, I described the incomparable charms of this part of the Laurentian hills. The beautiful scenery of this region, the sports and outings which one may enjoy in such healthy and restful surroundings, entice more and more the lovers of nature. And that, notwithstanding the inconveniences of the present system. In fact, those who wish to reach this region are obliged to take the Canadian Pacific trains, from Montreal to St. Jerome, at a place called Montford Junction, and then change to the Canadian National. Notwithstanding these inconveniences, thousands of travellers and tourists, each week, journey to this region, and the government railway, owing to the prevailing conditions, is thereby deprived of a very large revenue.

In spite of what the Minister of Railways stated just now, I cannot believe that the board of management of the National Railways, the government or this House can approve of the sale of this line to the Canadian Pacific Railway. I cannot believe that the government would deprive itself of a paying and profitable line to keep only unprofitable lines which would, each year, further encumber our national budget. I protest, Sir, against the false notion that the government railways cannot and must not exist where the Canadian Pacific Railway desires no competitor. Why should the state forsake its rights and make way to the Canadian

Pacific Railway when a national railway is considered an excellent undertaking and it is in the public interest to keep it up? Far be it from my thoughts to deprecate the importance and national usefulness of the Canadian Pacific Railway, but I deny the truth of the assertion which seems to have become the pass word of some people, and which is summed up in this idea: No competition against the Canadian Pacific Railway! Private interest must make way to the general welfare, this applies to railways as well as to other questions.

Some hon. MEMBERS (Translation): Hear, hear.

Mr. PREVOST (Translation): The best argument which can be brought out to show that this line is a paying proposition, and should remain the property of the government, is that the Canadian Pacific Railway considers it sufficiently remunerative to purchase it.

I cannot think of any reason which might militate against the construction of the twelve miles which is under consideration in this resolution. The cost of this branch line would be in the nature of an investment rather than of an expense, for the day when the Laurentian railway will directly connect with Montreal, we shall witness both a large increase in its freight and the growth of its revenues a hundredfold, owing to its passenger traffic, both ordinary travellers and tourists.

Furthermore, the government will be providing a numerous population, with a useful public service and will besides have in operation one of the most important lines of the National Railways, since it places the metropolis in communication with one of our most beautiful and rich regions, and, it will, some day, be the connecting link so much sought for which will unite the metropolis with the Transcontinental that passes to the north of that part of our country.

Mr. ETHIER (Translation): I can but concur, Mr. Chairman, in the remarks made by the hon. member for Terrebonne (Mr. Prevost). We are neighbours, and as such, we have always been on very good terms. I intend to continue so, and, in the present circumstances, it is a pleasure for me to support his views. I have no intention of enlarging on the magnificent description that he gave us of the region which the Montfort railway crosses. I shall be content with pointing out to the House a district that he did not mention and through which must pass this twelve mile line of railway, from Grande Fresnière to St. Jerome.

This project, Sir, is not a new idea and even before it was thought of building the branch lines, which are under discussion in the resolutions before the House, the preceding governments had understood the necessity of connecting the main line of the Canadian Northern, from Ottawa to Montreal, with the Ottawa to Quebec line. This project will be realized by the construction of this twelve-mile line, of which eleven miles happen to be in the county of Two Mountains,—which I have the honour to represent —and one mile is in the county of Terrebonne. Thus this railway will connect with the Montfort line, which is already constructed over a distance of thirty miles, as far as Huberdeau, and which it is proposed to extend, by another resolution, to St. Remy of Amherst, for a distance of two miles. I may add, by the way, that the province of Quebec's share is only twenty-nine miles of the proposed railway construction of 965 miles that this House is asked to approve.

I have already mentioned that this project is not a new one and that the late government deemed it proper and necessary to carry out this railway branch line. The government's engineers had made the survey. A number of locations were considered some years ago, and it was decided that the plans prepared by the engineers of the late government should be approved, and eventually they were accepted by the Railway Commission. The land was expropriated. The farmers were paid according to the value of the strip of land needed. Therefore, the only thing to do now is to build. All is ready. The necessary preliminaries to the construction of a railway line have been completed and the project is approved and declared urgent, useful and necessary.

What is, Sir, exactly, this twelve mile region? The main line of the Canadian Northern, between Ottawa and Montreal, crosses, at Hawkesbury, into the county of Argenteuil, and continues to Montreal, passing through the county of Two Mountains, the Grand Fresnière, St. Eustache and Isle Jesus. From the Grand Fresnière to St. Jerome, the distance is twelve miles. There is, at present, no possible means of transportation for freight and passenger traffic in this region situated to the north, on the Ottawa and Quebec line which passes through St. Philip of Argenteuil, Lachute, and continues to St. Canute, in the county of Two Mountains, and thence to St. Jerome, Joliette and Quebec. The traffic of St. Philip of Argen-

teuil, Lachute, St Canute, and the whole northern line, from Montfort to Grand Mine, must necessarily, to reach Montreal, pass through Joliette, which means a journey of about seventy-four miles more, than if the proposed line was constructed. We are, therefore losing the whole traffic of that region, and, what is more, we are being deprived of the traffic between St. Jerome and Grande Fresnière, of St Canute, St Monique, St Augustin and that of a large part of St. Eustache. If this branch line is built, we shall be connected with the main line of the Canadian Northern, from Montreal to Ottawa, and between the latter line and the main line of the Canadian National from Ottawa to Quebec, so that all traffic which comes from the north, instead of being carried by the Canadian Pacific Railway, will necessarily be transported by the Canadian National Railway from St. Jerome to Grande Fresnière.

Since the outset of this debate, there seems to be a tendency, among certain groups, to raise the question of economy and there are protests of extravagance heard. All members of this House favour economy, but this economy must be justified and to the purpose. Economy can be practised everywhere, even where there are deficits. The directors and the president of the board of management of the National Railways have deemed it their duty to suggest and recommend to the hon. Minister of Railways (Mr. Graham) and to the government the construction of this branch line. Have not the directors and President of the Canadian National Railways assumed the responsibility to reduce the deficits and increase the revenues?

Well, if we wish to reduce the deficits, we must create the necessary and natural outlets for the traffic by which the Canadian National may profit; and if the railway line of the Canadian National between Montreal and Ottawa does not possess the necessary branch lines to make it pay, we shall always have deficits. The present branch line is the source of the largest revenues of the Canadian National, in the province of Quebec. The extension of this line to Grande Fresnière will still increase its revenues, and thereby, decrease its deficits for that part of the country.

As the hon. member for Terrebonne (Mr. Prevost) stated, negotiations are actually being carried on between the Canadian National and the Canadian Pacific Railways; a request on the part of the latter company for the purchase of said railway is officially before the Railway Commission and there seems to be a willingness to carry out the sale.

I think it is in the public interest and for the national welfare as well as in the interest of the county of Two Mountains, that this branch line be constructed. It would pass through very prosperous farming communities in my county. The latter is not a mining district, neither is it an industrial centre, but it is the most essentially farming county of the province of Quebec. This branch line would be passing through, over a distance of eleven miles, a rich, fertile agricultural region which is at a distance from any Canadian Pacific railway station. We would then have a railway line not only very useful to traffic and trade but also to tourists.

The railway between St. Eustache and Montreal is a better paying line, during the summer, owing to the great number of tourists, than the one between Montreal and Ottawa. Let us build this branch line from Grande Fresnière to Rinfret Junction and we shall soon have a considerable increase in traffic and influx of tourists. The branch line which the Canadian Pacific Railway built from St. Jerome to Mont Laurier—first, to Nomininge, thence to Mont Laurier—shows the necessity of developing that northern part of our province. The same benefit will accrue to the Canadian Northern, and even more so, because this northern region is richer in minerals, lumber and farming, than the part which has been opened up, thanks to the efforts of Curé Labelle. It is that northern part of the country which will be the most profitable to the Canadian National. That is why I am not astonished to hear that the Canadian Pacific Railway wants to purchase this branch line. It would give them full control over that part of the province, and they are well aware that such a control would be most profitable. Why then should not our country, the Canadian National and the counties interested, be themselves benefited thereby? I had no intention, Sir, of broaching this subject. I am generally content with listening and weighing what my hon. colleagues have to propose to the House or the government; but regarding this question, I deemed it my duty to clearly bring out the facts as they exist, and this, without hesitation. We protest against this proposed sale of that line to the Canadian Pacific Railway. We are glad to have the Canadian Pacific Railway. The latter plays an important part, which no one will deny, wherever its line runs, however, since the Canadian Pacific Railway comes into competition with the Canadian National, I do not see why, the moment this line is profitable, we should not take advantage of it. I disapprove of

any settlement which may be agreed upon by the Railway Commission. Proposals have been made to this commission—I am officially informed. What is the nature of these proposals? I have no knowledge. I hope that as a result of the question which I put to the hon. Minister of Railways, a copy of the correspondence and documents relating to this proposed transaction will be brought down in the House. After giving the question full consideration, I have come to the conclusion that it would be in the interest of this region of the country and of the Canadian National, to build this branch line.

Mr. FORTIER (Labelle) (Translation): Mr. Chairman, I fully concur with the remarks which have just been made by the hon. members for Terrebonne (Mr. Prevost), and Laval-Two Mountains (Mr. Ethier). The twelve miles which it is proposed to build are, it is true, in the counties of Terrebonne and Two Mountains, nevertheless—I feel certain—very appreciable advantages would result for the county of Labelle. Indeed, it is a question of adding to the National Railways a branch line partly situated in the county of Terrebonne and partly in that of Labelle. The said branch line—it is known, owing to the resolution which appears further, in the Votes and Proceedings of the House—will be extended for a distance of two miles, from a place called China Clay to the village of St. Remy of Amherst. The advantages which would accrue from the construction of these two miles, in the county of Labelle, would lose a great deal of their value, if we had not—by the resolution which is at present under consideration by the House—the assurance that the Montfort Railway, that is, the line from St. Jerome to Huberdeau, will be connected to the National Railway system, so that the traffic which will be handled in the county of Labelle, along this line, may be in touch with the metropolis of Canada.

I think, Sir, that it would be bad policy for the government to sell this branch line to the Canadian Pacific Railway. I have nothing to say against the latter, for it has built, in my district, an extensive railway line, which reaches the settlement situated to the northwest of Montreal, at Mont Laurier The Canadian Pacific Railway Company has greatly contributed to the settling of this northern region of the province of Quebec. The population of Labelle county has still need of this company to further extend its line twenty-seven miles, from Mont Laurier to St. Anne du Lac. I think that it is important for the National Railways to hold on to the present branch line. The Canadian Pacific line, from Montreal to Mont Laurier, has been a paying proposition, and the branch line under discussion will equally be a paying proposition. The line which we intend to finish is not a new one. We are not asking the Minister of Railways or this House to build a new branch line, but simply to complete one which has been in existence for the last forty years, in a settlement where farming, lumber and mining industries thrive. Therefore, the Canadian National line which will extend from Montreal to St Remy of Amherst will certainly be one of the most paying propositions of the National Railways. For a long time past the people in my district have been appealing to the government. Our appeal has been endorsed by the business men of the metropolis. The Boards of Trade of Montreal have often urged this project through resolutions and have requested the minister to complete this line, by the construction of the twelve miles from St Eustache to St Jerome, and by the building of two other miles from China Clay to St Remy of Amherst. On the other hand, I think, the government would be making a great mistake in selling this branch line. For the last ten years the government has been asked to construct a branch line to connect Montreal with the Transcontinental. Charters have been granted and work has been done, such as locating etc. The North Railway was incorporated about ten years ago, and their rights were acquired by the Dominion government with the object—I state again—of constructing this branch line which would link up the metropolis of Canada to the Grand Trunk Pacific. There is no doubt that it is an important question. I think that the members for the city of Montreal would gladly welcome the realization of this project, for the construction of this branch line might result in bringing about later on the building of this other line. I feel certain that these same members are at heart with us when we request the completion of the present branch line because, once finished, it will be a step forward in the direction of the country drained by the Grand Trunk Pacific Railway. It is the most direct and the most suitable for the purpose of connecting Montreal with the Grand Trunk Pacific Railway. If the government were to deprive themselves of this railway, in a few years, when this second project will be submitted to them, when the city of Montreal and the western provinces will insist on linking up the Grand Trunk Pacific railway to Montreal, we will find it impossible to carry out the construction of a branch line to connect the Grand

Trunk Pacific railway with the National railways. For this reason, I think, the government should hold on to this branch line, but complete it, as I am sure it is their intention. Heretofore, the matter has only been broached between the Canadian Pacific Railway and the representatives of the National Railways. I hope that the hon. Minister of Railways (Mr. Graham), advised as he has been by my hon. colleagues from Terrebonne and from Two Mountains, and by my humble self, will not go to the extent of closing any arrangement which may at present be under way. I would rather think that he will be on his guard and will preserve this branch line which I believe to be one of the most important of our national system.

Mr. GRAHAM: I have listened to what the three hon. gentlemen who have just spoken have had to say, and I gather that they are absolutely and irretrievably opposed to disposing of this branch line, or any part of it, to anybody. The arguments they have advanced are very strong, and I think they have not overdrawn the possibilities of the country. I will see that the three speeches are placed in the hands of the Canadian National management with instructions to digest them, talk the matter over, and see whether or not an error has been made in entering into these negotiations.

Mr. MEIGHEN: Would the minister also see that they reach the hands of the hon. member for Laprairie and Napierville (Mr. Lanctôt). I notice he is always out of the House when these pro-national railway speeches are made and I would not like him to miss them. While I am on my feet may I ask that the minister put on Hansard Sir Henry Thornton's reasons specially applicable to the building of this line.

Mr. GRAHAM: I shall do so with pleasure. Here is what is proposed, and the justification for it:

Grande Fresniere, Mile 0-12	Cost
Proposed in 1924—12 miles grade; 12 miles track	$357,000

It is proposed in 1924 to grade 12 miles and lay track on it at a cost of $357,000, thus completing this line between Grande Fresniere and Rinfret Junction. The purpose of this line is to shorten the route from the Huberdeau branch and St. Jerome into Montreal. The right of way for this line has already been secured, but no further work has been done on it.

The Huberdeau branch runs into the Laurentian mountains and gives communication to a district which has become one of the important summer tourist and cottage resorts out of Montreal.

The justification for this line lies in the direct passenger connection it will give and also the shortening of the routes for freight by about 34 miles, which will mean considerable economy in operation on present business, besides attracting further business by the better service it will give.

Mr. MEIGHEN: If it will help any in giving better memoranda. I would make this comment: Whatever may be the merits of this line the memorandum which the minister has read does not make out a business case for building it. I do not say that a business case cannot be made out, but the memorandum does not do it. Such a memorandum should disclose what saving is going to be effected by the construction of this line; how much freight there is at present, how much more is expected, what the profits on that traffic will be, and the relation the saving will bear to the interest charge on the investment. The memorandum gives expression to certain intentions and hopes that are entertained, but it does not put this proposition on a basis that is at all a business basis.

Mr. GRAHAM: The traffic which has been carried on this line can be given to the House; it will be merely guess work to say what the traffic will be in the future. On the strength of the present traffic an estimate may be made of the saving. It is expected there will be more traffic, otherwise the line would not be constructed. In my experience I have found that forecasts as to future traffic and the profits therefrom are merely estimates and sometimes not very close estimates.

Mr. MEIGHEN: We have not any here at all.

Mr. GRAHAM: The board of management expects there will be an increase of traffic, and, perhaps a reduction in the rate on the traffic now carried.

Sir HENRY DRAYTON: As a matter of fact I would have thought that this was a case where Sir Henry Thornton could have said something tangible and definite in the memorandum. I should have said there was much more merit in the present proposition than in any other so far considered by us. There is no question but that the district is not properly served at the present time. So far as regards the question of sale to the Canadian Pacific railway I am not sufficiently posted to pronounce an opinion one way or the other. However, I do say this to the minister: If anything can be done to avoid senseless and stupid duplications of service and of railways it ought to be done, not only in this particular district but everywhere else.

Mr. BRISTOL: If you were seeking to obtain advances in the money market for enterprises of this character you would have to show, in a very definite way, before you could borrow, what the probable traffic and the financial returns would be.

Mr. GRAHAM: There is a good deal of truth in that, if we look at it from one angle; but there devolve upon the Canadian National lines, duties, whether we like this or not, that private companies do not always have to assume. As I said the other afternoon in the House, private companies are altogether at liberty to select their own territory, and to build only those lines in which they will have an immediate profit. I do not say that that is being done; but I say that there are many lines that ought to be constructed with the two-fold object: One in the future—not at present—to give the Canadian National Railways a traffic that belongs to it through a branch-line system, and the other to give service to the people. Notwithstanding what my hon. friend has said, I submit that what is known as a government-owned railway, although under the name of a company, has on it, or the people think it has on it, obligations that are not imposed on a private company. But, turn to the other side. Many private companies are very careful, notwithstanding the fact that present construction will not yield a revenue, to see that they hang on to territory that rightly belongs to them, by the building of branch lines, feeling confident as business men that, in years to come, they will get a return for the present outlay, because if it was not made, the territory might go to some other line. I think I am free to say that very few branch lines that are constructed give immediately a definite return, but if they are not constructed, the trunk line might as well close up.

There is another thing that is not connected with this, but I wish to bring it to my hon. friend's attention. The Grand Trunk Pacific, if it lacks anything, lacks branch lines. That is one of the difficulties which we had in connection with the Grand Trunk Pacific Railway Company during the time of its construction. I am glad to hear the ex-Minister of Finance (Sir Henry Drayton) say that he feels confident this will be a paying line.

Sir HENRY DRAYTON: I did not say that. I said that it was a line that had far more merit in it than many of the others. The district is not properly served.

Mr. GRAHAM: In a degree. I agree with him in that I think this line will bring in a return at once, but it is through an older settled territory, and it is merely cutting off, as I understand the matter, certain undue distances in the transportation of the products of the people in that vicinity.

Sir HENRY DRAYTON: There is one thing that my hon. friend has said that, I think, ought to be challenged at the earliest possible minute. He states that on this system are imposed certain obligations to which private companies are not subject. I am very sorry to hear my hon. friend make that statement. It is the sort of thing we thought we had got rid of and that my hon. friends across the aisle always think they have got rid of. If there be a difference between a private corporation and this corporation that is supposed to be handling this tremendous undertaking as a business concern in trust for all the people, the only real difference, the only possible distinction that can exist is that political motives, political interests and matters of expediency are to be considered, when they would not be considered by proper, decent business men to whom a trust had been confided. I am sorry that my hon. friend says that there is a difference. He endeavours to strengthen his position by saying that lines often have to be built in order to secure territory. I would have thought it would be comparatively easy to-day to save wasting the money of the taxpayers of this country, simply for the purpose of doing something which is said by the minister not to pay, which is said by him will yield no return, will have to be carried for some time without recompense, just in order to prevent somebody else from losing money.

Mr. GRAHAM: I said that private companies did that.

Sir HENRY DRAYTON: I would have thought that, not only the country, but the Canadian Pacific itself, had seen by this time the folly of senseless duplications and fighting for territory. Surely this House is not going to be asked to vote untold millions for the construction of branch lines simply to shut out the Canadian Pacific. The Minister of Railways can easily see that an arrangement is made that territories are held for both these systems. He can see to it that the follies of the past are some day to stop; that duplication will cease, not only of services, but of lines, and that there will be some chance for this property to become an earning property. He cannot possibly make it an earning property if the policy he proclaims is followed. If my hon. friend will take hold of this matter with both these

managements for the purpose of cutting out, in the first instance, any question of rivalry in building lines that neither can afford under the excuse of holding a territory here or a territory there, and if he will also take up with them the matter of duplication of services which really add nothing whatever to the travelling and shipping facilities of the people, I am confident that something can be done very much more to the advantage of overburdened taxpayers than building railways to beat out the Jones'.

Mr. MARLER: On account of this line being in the province of Quebec and in the vicinity of Montreal, I do not want this resolution to pass without my saying a few words relative thereto. This line is, as I understand the matter, for the purpose of connecting up the present line of the Canadian National at Grande Fresnière to Rinfret Junction, so that there will be a connection from the Tunnel station in Montreal directly into Laurentides. That is the object of the line. The Canadian Pacific running from Place Viger station practically parallels the line at Montfort. The two lines at Montfort, I should imagine are not more than half a mile apart.

Mr. ETHIER: At St. Jerome.

Mr. MARLER: I was saying that the distance between the Canadian Pacific and Canadian National at Montfort Junction is very small.

Mr. ETHIER: Montfort is about twenty-five miles ahead and to the northwest, but at St. Jerome, the lines are parallel for about two or three miles. The Canadian National goes northwest and the Canadian Pacific goes right through to the north.

Mr. MARLER: I quite understand that at the particular point the hon. member speaks about they are close together, and they could be joined up without difficulty. There could be a joint service out of Place Viger station, thus obviating the necessity of building this line at all. It may be perfectly true that the building of this line may give the Canadian National traffic. Many hundreds of people would go from the Tunnel terminal instead of the Place Viger station into this beautiful territory. I admit all that, but the only effect this will have is to take so much traffic from the Canadian Pacific and give it to the Canadian National. If we approach the question of building these branch lines with this object, I have no doubt for a moment that many of these branch lines are justified. I do not approach the question with that object in view at all. When the country is served properly by one railway, one is enough particularly when traffic arrangements can be made—and they undoubtedly can be made—and if they cannot be made, we can pass laws in this parliament to ensure that they are made. If the Canadian Pacific will not make a joint arrangement, we can pass a law to make it do so. So far as I can see, this means simply taking traffic from one line and giving it to another line. As I said at the beginning, I did not want it to be supposed that because this line is in the province of Quebec and serves the city of Montreal, to a certain extent, I would therefore be in favour of it. In fact I oppose it.

Mr. LANCTOT: I was informed a few moments ago that the leader of the opposition, (Mr. Meighen) wanted to know where I was, as I did not happen to be in the chamber. I was called to the door for a few minutes but, as the right hon. gentleman will see, I am back again. I suppose he would like to know where I stand in relation to branch lines. I will tell him, because I am always willing to satisfy the hon. gentleman on questions relating to the railways. The leader of the opposition is the person who was instrumental in this country becoming the owners of nearly all the railways in Canada, and as I did not support him at that time I do not intend to endorse any of his views to-day. I have been asked on many occasions by my right hon. friend whether I had increased or reduced my price in this matter. During the campaign of 1921, it is true, in my county I told my constituents that I was ready to sell out the whole thing for a dollar. But when I so stated I included in that offer the outstanding guarantee by this government in connection with our purchase of all the railways in Canada, and that was more than a dollar. I understand that we have to meet certain liabilities in connection with the purchase of the Canadian Northern and the Grand Trunk and all other lines. This country still owes a considerable sum on the railways. I believe that some $167,000,000 has been paid already on the Transcontinental line, and the Intercolonial railway has also been paid for. But the purchase of the Grand Trunk and the Canadian Northern still involves a heavy liability on the country. So that when I embraced all these liabilities in the offer I made, of one dollar for the whole thing, I think I was making rather a good bargain in the interests of the country. In my opinion the country would be better off if it could dispose of the railways. As regards branch lines, I do not intend to say anything, because it seems to me that the three parties are apparently willing to support public ownership of railways at the present time. I differ from them all.

An hon. MEMBER: There is a fourth party.

Mr. LANCTOT: A fourth, and a fifth if you like, if I am the only man who is prepared to oppose this policy.

Mr. MEIGHEN: I feel a great deal better now that I have heard the last word from the hon. member (Mr. Lanctot). What I was anxious about was that the speeches that had just been delivered should be placed before him for consideration, knowing how long and ardently he has desired to sell the National railway for a dollar, or a song, or anything. I wonder what he thinks of his colleagues from Quebec who are protesting against selling even a mile. Even in order to save a further expenditure of some hundreds of thousands of dollars they would not think of selling a small branch to the Canadian Pacific Railway. However, the hon. gentleman is frank enough to come and tell us that he stands solidly in his opposition to public ownership even if he has to form a sixth party.

Mr. LANCTOT: Yes, and even if I have to stand alone.

Resolution reported, read the second time and concurred in. Mr. Graham thereupon moved for leave to introduce Bill No. 31 respecting the construction of a Canadian National railway line between Grande Fresnière and Rinfret Junction, in the province of Quebec.

Motion agreed to and bill read the first time.

SUNNYBRAE-GUYSBORO

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide for the construction of a Canadian National Railway line from Sunnybrae to Guysboro, in the province of Nova Scotia; estimated mileage including existing grading, 67 miles; estimated cost, $3,500,000.

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

Mr. GRAHAM: This proposal has a somewhat lengthy history. I will read the memoradum placed in my hands by the Canadian National Railways:

Sunnybrae. Mile 0—67	Cost
Proposed in 1924—nil..	$ ....
Proposed in 1925—67 miles grade..	2,300,000
Proposed in 1926—67 miles track..	1,200,000
	$3,500,000

In 1924 no actual work of construction is proposed, but final surveys will be run and in 1925, it is the intention to do the grading on the 67 miles from Sunnybrae to Guysboro at a cost of $2,300,000, and in 1926 to lay the track and complete the line to Guysboro at a cost that year of $1,200,000.

The purpose of the line is to open up the local territory for lumber industry and provide better facilities for agricultural products as well as give direct communication to Guysboro for its fishing and allied products. On part of the route there is considerable agricultural development, and quite extensive hardwood forests which the railway will make it possible to develop.

The original intention of the survey for this line had in view a low grade line with the idea of making it the main line. The results of the surveys indicated that to obtain this character of line it would be very costly, and on account of the fact that the present main line could not be abandoned, and would have to be maintained and operated, it could not be shown that such a line, with its excessive cost of construction would be justified. The present intention is to construct a line to open up the local territory and build it to cheaper standards of construction, but keep in view the eventual use of it for an alternative main line at any time this would be warranted. Therefore, the line will be located so that eventually a low grade could be obtained, but employ steeper grades for the immediate construction.

It has been estimated that there are 250 million feet of hardwood and 200 million feet of softwood available to the line, and also some possibilities in gold and iron mining which have not been developed, possibly due to lack of transportation facilities.

The justification for this line is that it will serve a section of the country that has been in long need of railway communication in order to give it a real chance for development and to put the town of Guysboro in direct rail communication with the Canadian National System.

Sir HENRY DRAYTON: Is that from Sir Henry Thornton?

Mr. GRAHAM: It is from the board.

Sir HENRY DRAYTON: Referred to in Sir Henry Thornton's letter.

Mr. GRAHAM: Now perhaps the House will bear with me while I give a little history of this matter. I think all the governments of which my hon. friend and myself have been members have had this railway problem before them. I have a memorandum here taken from Hansard giving a little history of it. On August 12, 1911, the Department of Railways called for tenders, by public advertisement, for a branch line of railway from Guysborough to Sunnybrae through Country Harbour Cross Roads, with an extension from Country Harbour Cross Roads to deep water of Country Harbour.

Tenders were to be received by September 15, and, on September 30, the Minister of Railways recommended to council the acceptance of the tender of the Nova Scotia Construction Company, Limited, of Sydney, at $1,057,122. The order in council adopting this recommendation bears date October 2, 1911.

Change of government was effected on or about October 10, 1911, and, on February 10, 1912, an order in council was passed containing the following paragraph:

No formal contract has been made or prepared and it is now considered desirable to abandon the project of constructing this branch line at present, and to cancel such contract as may have been created by the above-mentioned acceptance of the company's tender.

The supplementary estimates for the fiscal year ending March 31, 1916, contained the following item in vote No. 465, Railways and Canals, chargeable to capital, Intercolonial railway:

"Branch line from Sunnybrae to Mulgrave, $1,000,000."

This was in consequence of a statement by Mr. Cochrane, as Minister of Railways, to parliament, on March 25, 1915,—Hansard page 1468:

The line is to run from Sunnybrae, and down to the ferry there, with a branch up to Guysborough. It is not definitely settled yet to which point it will go, or whether it will go to Guysborough and Country Harbour. When the supplementary estimates come down there will be an appropriation for starting the work.

Subsequently the Minister of Railways brought down a plan of the proposed Guysborough branch and a memorandum which is to be found in Hansard, page 1700, March 29, 1915, reads as follows:

Re Guysborough subdivision—Intercolonial railway

The proposed railway extends from Sunnybrae to Mulgrave by way of Guysborough. Preliminary surveys have been made which indicate that the railway can be built on a maximum grade of five-tenths per cent westbound.

The details of the surveyed routes, is from Sunnybrae to lake Eden, thence down the East river St. Mary to post near Country Harbour Cross Roads, thence east along the valley of the Salmon river to Guysborough harbour, along the shores of Chedabucto bay and straits of Canso to Mulgrave.

The line is about eighty-eight miles in length. The distance from Truro to Mulgrave by way of Guysborough is 137 miles. The distance from Truro to Mulgrave by the present line is 122.3. The distance from Sunnybrae to Guysborough is sixty-five miles.

The object of the proposed railway is first to give transportation facilities to the central portion of Guysborough county and the port of Guysborough, and second to construct that railway with such grades as to make it the economical route for heavy traffic to and from Cape Breton over which it will be possible to haul practically double the amount of tonnage that can be hauled by the same power over the present line, which provides a great economy in operating expenses although the distance is increased about fifteen miles.

Sir HENRY DRAYTON: These remarks would not apply to this line.

Mr. GRAHAM: Well, a good portion of it.

Sir HENRY DRAYTON: That was the line to Mulgrave to reduce grades.

Mr. GRAHAM: Let me put this on Hansard. This is what happened. This is dated March 25, 1915, and I read the following discussion from Hansard:

Mr. Sinclair: The Country Harbour branch was a part of the route as originally projected, and I want to ask the minister if he includes it in the present proposal. It is not in the mileage given.

Mr. Cochrane: Ultimately, yes, because the plan shows both places.

Mr. Sinclair: Is it on the plan?

Mr. Cochrane: Yes.

Mr. Sinclair: But you are not proposing to build it now?

Mr. Cochrane: Not until later on. I think the other road is the more important. The million dollars that I told my hon. friend would be included in the supplementary estimates will not be expended on that portion of the road at this time.

Mr. Sinclair: When does the minister propose to build the Country Harbour branch?

Mr. Cochrane: As soon as we can. I brought the map to show the hon. gentleman the whole scheme that is proposed.

Mr. Sinclair: It will be a great disappointment to the people on that part of the coast of Nova Scotia when they learn that the Country Harbour branch is dropped out of the proposal.

Mr. Cochrane. It is not dropped out of the proposal. I brought the map and the hon. gentleman can see that the road goes to both places, but I do not want to mislead him by saying that we are going to start on the branch to Country Harbour this year.

Mr. Sinclair: I quite understand that. The point I made is that while it is on the map it is not included in the minister's present proposal.

Mr. Cochrane: It certainly is a part of the proposal. The scheme as laid out includes branches from Sunnybrae to Country Harbour and Guysborough.

Out of the vote mentioned $22,000 was expended in surveys, and in the following year $978,000 was voted in the Intercolonial railway estimates of 1916-17, as found on page 52 of the estimates of that year. Then at page 2,767 of Hansard, April 11, 1916, Mr. Graham asked as to the condition of the line for which this money was being voted, and Dr. Reid who was Acting Minister of Railways in the absence of Mr. Cochrane through illness, replied as follows:

The length of this line is 93.18 miles. The object of the proposed railway is, first, to give transportation facilities to the central portion of Guysborough county and to open up and develop this portion of the country; and, second, to construct the line with .6 grade eastbound and westbound that will serve as a low grade route for the traffic from the Sydneys, Cape Breton and Newfoundland. By building the railway on the grade mentioned this traffic, which consists largely of steel products, can be handled more economically than over the present route. During the present year location surveys and plans have been completed but no construction work has been started. The amount voted in 1915-16 was $1,000,000, and the estimated expenditure out of that amount was $22,000, leaving to be revoted the amount of the present vote, $978,000.

Mr. Sinclair: When does the minister intend to build this railway?

Mr. Reid: Just as soon as financial conditions will admit of it, it is the intention of the government to build this line.

I might say in short that that is the history of the line. It was in the programme for Nova Scotia which was started in 1910 or

1911, but this line was dropped after 1911 with several of the others, and only one item in the programme was proceeded with, if I remember correctly. That is the history of this proposal, and I submit it to the House for favourable consideration.

Sir HENRY DRAYTON: I am going to ask my hon. friend to take particular care to let us have all the correspondence in connection with this line and all the reports the department now has. I am quite convinced that, if he will read them through, he will never ask the House to give it any further consideration. As the minister says, this is an old line. It is old although never built. It is old in the sense of the consideration that has been given it by politicians practically since confederation. I do not think there has ever been a local election fought in Nova Scotia, that this line has not been used one way or the other for the purpose of getting votes. There was a time when the local government undertook to build it, and ran through an election on the claim that they were going to build it. I forget whether that was once or twice. It happened at least once, and the local government being returned, of course did not build it. No one would ever build it. The only possible reason for building the line down there would be that referred to in Hansard of 1916 by the then Minister of Railways, the Hon. Mr. Cochrane. It was conclusively proved that the present main line had very bad grades; and if there were any way of helping those grades something would be gained. The whole idea was to help those grades. The Hon. Dr. Reid was concerned in it and, following as best I could what the minister said, I think he made exactly the same point, that the grades were bad and it would be a great thing if we could get better grades. That is not the present proposition. Even if that had been the present proposition, it is something which the country to-day unless we have all taken leave of our senses would never go into. It never would think of it for one minute. What would be thought of opening up a line of railway which will do nothing to overcome the admitted difficulties in connection with the main line grades? I have not the slightest hesitation in saying that there is no justification whatever for the building of this line, apart from political purposes.

Mr. MACDONALD (Pictou): Is my hon. friend not aware that, in addition to the record of his own party and of ministers of railways between 1911 and 1917, the Canadain National Railway board, when presided over by Mr. Hanna, recommended the construction of this road?

Sir HENRY DRAYTON: My hon. friend is entirely misinformed. Mr. Hanna's board turned down the proposal.

Mr. MACDONALD (Pictou): I make the statement on the faith of communications to the public press made by Colonel Thomas Cantley, my opponent in Pictou county in the last election, who was a member of the board over which Mr. Hanna presided. I think his authority is as good as my hon. friend's.

Sir HENRY DRAYTON: I am quite content to take it that way, but my very strong recollection is that at the time that matter was discussed, and it was discussed more than once, Mr. Hanna took the strongest possible grounds against the proposal. At any rate, if he did not, he ought to have done so.

Mr. MACDONALD (Pictou): They are all wrong but you.

Sir HENRY DRAYTON: My hon. friend is pleased to be facetious.

Mr. MACDONALD (Pictou): No, you are.

Sir HENRY DRAYTON: My hon. friend knows very well that if this line is built it will never pay.

Mr. MACDONALD (Pictou): I know nothing of the sort.

Sir HENRY DRAYTON: Then I do not think my hon. friend has studied the question.

Mr. MACDONALD (Pictou): I know more about it than you do.

Sir HENRY DRAYTON: Of course it is a thing that comes up in connection with the exigencies of Nova Scotia politics from time to time.

Mr. MACDONALD (Pictou): Not at all.

Sir HENRY DRAYTON: When the local government down there gets tired of this football; when it wins some elections by it and then refuses to go on and build the line, we have it transferred here just at the right time, just before the Dominion election—

Mr. GRAHAM: Oh no—a long way off.

Sir HENRY DRAYTON: In 1911, not so very long before the Dominion election, for the purposes of Nova Scotia politics we have this old horse trotted out to serve for just another term. Of course the contracts were

not awarded; of course the tenders were not to be considered until after the elections were over, and then the contracts were awarded in the full knowledge that any sane government would probably disallow the proposal, as actually happened. I do not believe Sir Henry Thornton is very wise in recommending this thing in the way he does. We have not the slightest traffic study; the matter is not presented from the proper business viewpoint, although it is from a man alleged to be, as I believe he is, a business man. We have simply the vaguest, wishy-washiest kind of suggestion that this line should be built—that is all. I am going to ask my hon. friend to bring down the files that have to do with this matter so that they may be open to the inspection of members.

Mr. McISAAC: The hon. gentleman speaks about what has happened in Nova Scotia in reference to this proposed road, and he has said several times that the building of this road was promised by the local government. He shows a lack of knowledge of the political history of Nova Scotia when he forgets that the Hanna board of which Colonel Cantley was a member and which was functioning during the regime of the government of which my hon. friend was a member, recommended the construction of this road. But to-day my hon. friend denies that, and says that the question has been made a political football.

Sir HENRY DRAYTON: No one denied it.

Mr. McISAAC: My hon. friend denies that the Hanna board made that recommendation.

Sir HENRY DRAYTON: I never said anything of the kind. I was speaking of Mr. Hanna.

Mr. McISAAC: That is what he said first, when the hon. member for Pictou corrected him. He says this has been made a political football in Nova Scotia for many years. Well, if it has, the game has been played by both sides, Conservative as well as Liberal, and one of the chief men at the bat was Sir Robert Borden. In 1910 both political parties in this House agreed that branch railways should be constructed in non-railway counties in Nova Scotia. The following resolution was passed in that year:

5 p.m.

That, in the opinion of this House, the time has arrived in the commercial and industrial development of the province of Nova Scotia when the Intercolonial Railway of Canada should be extended into the non-railway counties of the eastern section of that province.

That resolution was agreed to both by the Conservative party, led by Sir Robert Borden at the time, and by the Liberal party. Then Sir Robert Borden made a speech in the House; it is reported at page 1182 of Hansard of 1910. I ask my hon. friend to pay attention to this; it is not the statement of a Liberal who is making a political football of the matter. Sir Robert Borden said on that occasion:

I passed along the shore of the county of Halifax to the county of Guysborough last summer. I travelled altogether about 500 miles through districts not served by railways at all, and where railway development would mean a great deal to the people and lead to considerable development in that little province. I can tell the Minister of Railways—

The present Minister of Railways (Mr. Graham) was Minister of Railways at that time also.

—a great many things I saw, I could speak of a great many districts where railway facilities might mean a great deal to the people, and might lead to very great progress and advancement in that little province. I saw, in the county of Guysborough, just across the line from the county of Halifax—

Represented by himself.

—one of the most splendid harbours that can be found anywhere in the world—Country harbour. This harbour stretches back ten miles from its mouth, with water close up to the shore everywhere from forty-five to sixty feet in depth, landlocked twice, and with a splendid roadstead outside, where, in almost any weather, ships can ride in safety—and have ridden in safety without going inside. And in what condition did I find the place? Not more than a dozen families are living around that harbour. There was no railway development, no opportunity for commerce, and the fishermen had gone to the adjoining Isaac's harbour or Fishermen's harbour, for the reason that these smaller harbours would subserve their purposes better than this magnificent Country harbour of which I have spoken. All along that shore are opportunities of development. The people of Halifax county, as well as those of Guysborough county, and those of other counties in the province of Nova Scotia to which allusion has been made, have, it seems to me, fairly good reason to complain that their interests in respect of railway development have not been properly attended to in the past.

Then he concludes:

This is no time for hesitation and vacillation. Make up your mind—and I hope you have made it up in the direction I have indicated; then, give to the Intercolonial the branches, feeders, extensions which would be given if it were owned by any of the great railway corporations.

Now, that was in 1910.

Mr. GRAHAM: That was directed to myself, was it not?

Mr. McISAAC: Yes, directed to yourself as Minister of Railways by Sir Robert Borden.

The hon. member for West York, (Sir Henry Drayton) who was not then in the House but who since pretends to have learned a great deal about the political history of Nova Scotia, did not know what had happened.

Before I conclude I want to put on Hansard the letter from Colonel Cantley, so that hon. members may have the facts before them and so that the hon. member for West York will have some knowledge of the matter; for he shows a great lack of knowledge in connection with this railway. This proposal is entirely different from the others which were discussed to-day and the other day. The proposed road does not parallel any existing road. It does not interfere with the Canadian Pacific railway at all, because there is no Canadian Pacific railway in the county of Guysborough, nor any other railway. That county extending from the eastern part of Halifax county to the strait of Canso, about 150 miles long and from 20 to 75 miles in width, is without any railway except where the Canadian National touches the extreme northeastern end of the county at the strait of Canso. It is the second or third largest county in the province of Nova Scotia. The area of the county of Guysborough itself is something like 2,000 square miles. It has magnificent lumber areas. It has been estimated that there is between forty and fifty million dollars worth of lumber in Guysborough county to-day, which cannot be taken out on account of the lack of railway facilities, and on the Sunnybrae branch, between the county of Guysborough and the Intercolonial railway, in Pictou county, it is estimated that there is from four to five times that value in timber, which cannot be taken out without this road.

The fresh fish industry also cannot be developed unless there is quick transportation. Along that coast of 150 miles lies one of the greatest fishing grounds anywhere in the world, but it is entirely impossible to have a development of the fresh fish industry without quick transportation. To show you how this fish industry can be developed. In 1895 the federal government, and I think the provincial government of Nova Scotia, subsidized a small boat to run daily between Canso in the eastern end of Guysborough county, and Mulgrave, a distance of 27 miles. This daily steamer was put on for the purpose of testing what could be done in the shipment of fresh fish, and I will show you what the result has been. In 1895 the number of tons of fresh fish shipped was 790, and the expressage paid $4,805; 1896, 900 tons, expressage paid, $6,460. I will not give the figures for every year, but in 1905 the number of tons had increased to 2,201, and the expressage paid to $23,000; in 1917, 11,831 tons of fresh fish were shipped from Canso alone, and the expressage paid was $110,483. I have not the figures up to the present time, but I know that they show an increase year by year over the figures I have given and I am quite safe in saying that to-day at least 20,000 tons of fresh fish are shipped from Canso alone to the Intercolonial railway, and considering the increase in freight rates I am quite sure that the expressage paid would be over $200,000. I am only citing that as an illustration of what might be done in developing the fresh fish trade of Guysborough county if we had a railway passing through it from Sunnybrae to Guysborough and later on to the strait of Canso. When that road is built it will shorten the distance between the prairie provinces by 75 to 100 miles; that is the short line from Oxford Junction down to Sunnybrae and Country Harbour would shorten the distance by at least 75 to 100 miles. As Sir Robert Borden said, and as is admitted by everybody, Guysborough has the finest and best harbour in the world, Country Harbour.

I am going to read a letter written by Colonel Thomas Cantley to the Montreal Gazette, appearing in its issue of March 12 last, and I will ask the House to bear with me patiently, because I do not take up much of its time. Colonel Cantley was the Conservative candidate for the county of Pictou at the last general election; he was also a member of the Hanna National Railway Board up to the time he resigned; so we can have no better authority on this question; I think he will satisfy even the hon. member for Toronto and any other doubting Thomas on the other side of the House. This letter was written after a survey had been made of this line, and after Colonel Cantley had travelled with the engineer over every foot of the proposed line from Sunnybrae to Guysborough and Mulgrave. He says:

A Needed Branch Line

To the Editor of The Gazette:

Sir,—In your issue of February 20th last is an article entitled "C.N.R. Branch Lines will be introduced."

With a portion of the article I have no particular concern, but when you there state that "the Guysboro road was especially condemned, having been rejected by every government for thirty years. It would cost $7,000,000, and there would be an annual deficit of not less than $500,000," I must protest. The statement that the construction of the road was rejected by every government for thirty years is in direct conflict with the facts.

If you will consult parliamentary history you will learn that the Laurier government in 1910-11 called for tenders for the construction of the Guysboro road, after which a contract for the construction of a con-

siderable portion of the line was entered into, and held the contractor's deposit, which accompanied the tender. Subsequent to the change of government in 1911 the incoming Minister of Railways, Hon. Frank Cochrane, after keeping the contractors and the people of Guysboro in suspense for about a year, finally cancelled the contract for construction and returned the contractor's deposit. At about the same time the minister entered into a contract for the construction of seventy miles of railway in the county of Halifax, from Dartmouth to Stewart, the county of Halifax being then represented by the Premier, the Right Hon. Sir Robert Borden. This road was designed to give railway advantages to the fertile valley of Musquodoboit, but the road built stopped short of reaching a most important section of the valley and really ended nowhere.

Later the Guysboro railway project had the attention of the Board of Directors of the Canadian National Railway when, during 1919-1920, the president instructed the chief engineer to investigate the matter thoroughly and report. In pursuance of these instructions the engineer personally spent some time in the district and travelled with the writer over the whole course of the projected route. Some possible changes in alignment were then suggested and these later were thoroughly gone over by survey parties when the further data secured resulted in the adoption of some changes in location. After a full and exhaustive report had been put before the board as to the cost of the road, the gradients and the economies to be expected from its construction, the board, on the advice of the chairman, resolved to proceed with the construction of the road, and recommended that a contract be given for the building of the first section of twenty-five miles eastward from Sunnybrae, and that the work be immediately proceeded with.

The decision of the board was vetoed on the ground of financial stringency by the then treasury board of the cabinet. From these facts it is established that the Guysboro railway was not condemned by every government, but on the other hand had the support and direct approval of the Laurier government, and later also of the C.N.R. President and Board of Directors after the engineers of the board had given the matter the fullest consideration.

As to the matter of the necessity for and policy governing the construction of branch lines connecting with the C.N.R. in the West, a good deal of sound argument can be submitted. While all the branch lines projected, most of which were undertaken by the Canadian Northern management, but not completed, are not of equal importance to the successful operation of the C.N.R., some of them are doubtless necessary as feeders and the delay in their completion has adversely affected earning power of the C.N.R. Most of the settlers in the country which they should serve settled there on the clearly-stated undertaking by the Canadian Northern management that the branches would be at once begun and pushed to completion, which promise was not effectively carried out.

But it is not the western branch lines which particularly interest me, but the Sunnybrae railway, and the general treatment of the province of Nova Scotia as regards railway construction, and the unfair treatment accorded this province in view of its contribution to the general railway expenditure of Canada, and our proportion of the enormous commitments due to the taking over of the Canadian Northern, Grand Trunk Pacific and Grand Trunk Railways, none of the mileage of which lie within or are of any direct material benefit to the province of Nova Scotia.

The importance of the proposed so-called Guysboro railway is due to two facts, in some respects quite distinctly different, while the road from Sunnybrae to Guysboro will be of distinct advantage to the latter point, and the southeastern coast of Nova Scotia generally, Guysboro county particularly, which has today not a single mile of railway. The continuance of the road beyond Guysboro to Mulgrave, thus permitting of the diverting of the traffic now passing over the New Glasgow to Mulgrave line, and the saving to be effected thereby, is the real, important factor, which abundantly warrants the building of the line, as is well known, to all intimately associated with that portion of the C.N.R. between New Glasgow and Mulgrave.

It is a matter of common knowledge that derailments have caused and are still causing grave anxiety to the operating management and the travelling public. Accidents have been numerous owing to the gradient and alignment of the road. The grades in places amount to nearly two per cent, and are such that drivers must rush down a hill to acquire momentum to carry them over the next crest. The bottom of most of the grades are reverse curves, with their tendency toward derailment. Train wreckage with destruction of rolling stock and damage to goods has for years been heavy on the section.

For years there has been an average monthly deficit of over $50,000 on operating due to adverse physical conditions, as exemplified by the fact that a locomotive which will haul four thousand tons on the prairie sections of the C.N.R. will with difficulty handle less than one-quarter of that tonnage between Mulgrave and New Glasgow. For quite ten years a continuous and effective effort has been made by the engineering department of the eastern division to obtain a better alignment of this important eighty-mile section. Numerous engineering parties examined the whole extent of the road and, after the best trial line diversions were worked out, these departing from the present alignment at some fourteen different points, and giving an increase in the length of the road of sixteen miles, the proposed diversion still offered at best a gradient of 1.68 per cent.

In view of this result the expenditure of any considerable sum in changing the existing alignment was unanimously considered unwarranted, and it was proven beyond dispute that the only real cure for the difficulty, so far as heavy freight was concerned, was to abandon the New Glasgow-Mulgrave section for all through traffic, and extend the New Glasgow-Sunneybrae line through Guysboro to Mulgrave, where a first-class alignment could be obtained with grades not exceeding .06 going easterly and .05 coming westerly from Cape Breton—the alignment and grades on the proposed line being equal to those of the best divisions of the C.N.R. system. The length of the extension Sunnybrae to Guysboro and on to Mulgrave road would be ninety-three miles.

The engineers' estimate of the total cost at present prices, inclusive of right of way, land damages, railway stations, water tanks, sidings, telegraph and telephone system, and all other accessories whatsoever for $8,556,000, or $82,000 per mile.

The engineer data, including profile, position of bridges, sidings, water tanks, and every construction detail of that character, is complete and on file in the railway offices, Moncton. The yardage of all cuttings, fills, cost of bridges, etc., has been calculated, and the plans and data are so complete that contracts for the construction of any section of the whole line could be given by the railway management at any time such was ordered.

As to the necessity for improvement in the existing through traffic facilities, passing over the New Glasgow-Mulgrave section of the railway, it may be pointed out that the great traffic producer for the C.N.R. system in the Maritime provinces is the coal, iron and steel trade of Cape Breton and Pictou county, while all the

raw material for the New Glasgow mills and forges must pass over this New Glasgow-Mulgrave section—the present grades of which are up to and exceeding, in some cases, two per cent. All trains leaving Mulgrave must have the aid of pusher engine for some miles westward.

If the traffic is diverted at Mulgrave over the proposed Guysboro-Mulgrave-Sunneybrae railway to the junction of the latter at Ferrona, New Glasgow, Pictou county, and assuming the traffic as eight trains of five hundred tons and four trains of one thousand tons daily, handling, say, sixteen thousand tons on this new line, with a .06 grade instead of the present New Glasgow-Mulgrave two per cent, and over grade, and using the capitalization values laid down by the American Railway Engineers' Association Committee, the result of the comparison using Ferrona Junction as a common point, would be a capitalization of $9,540,000. The new lines have been estimated to cost $8,500,000, therefore, it would be cheaper to build and operate by an amount of roughly $1,000,000.

Further comparison is made by assuming a considerable increase in tonnage over that at present carried which in vew of all the factors involved, and the advantages flowing out of better railway conditions, and the development in Eastern Nova Scotia, which would seem warranted, shows the new line as giving a capitalization of say $14,307,000 saving over operations of the present New Glasgow-Mulgrave line, so that with a capital expenditure of $8,500,000 for the new line, there would be a saving equal to the capitalized value of $5,800,000, to build and operate the new line.

Other calculations have been made taking New Glasgow as the common point, while still others provide for the routing of the traffic across Pictou Harbour, thence to a point on the C.N.R. at or between Amherst or Moncton, throughout which a continuous grade of about one-half per cent, could be secured, resulting in some saving in mileage, and the enormous advantage of a gradient of practically .05 as against the climbing of two mountain ranges. Gordon Summit and the Folleigh, with elevations of 566 and 612 feet, respectively, over tide water at New Glasgow.

So far we have dealt only with advantages to the railway from lower cost of transportation. The possibilities of traffic on the proposed new section of line are good, the resources are agriculture, lumber and fishing. The forest resources of Guysboro are among the most valuable in the province of Nova Scotia. Fifteen years ago these were valued at $20,000,000, which valuation would be nearly doubled at the present time. The value of the timber contiguous to the Guysboro line between Sunneybrae and the Guysboro-Pictou county line would many times exceed that figure. In this section lumber is now being transported by teams for distances of up to fifteen miles to railway.

With the railway passing through Country Harbor and Guysboro, the fresh fish industry could be centralized, and an extensive trade carried on. Were an efficient daily fresh fish service inaugurated from Guysboro and Country Harbor over the proposed road through to Montreal, there is no doubt that within a very short time of its inauguration, sufficient traffic would be offered to warrant a daily express fish service of twelve to fifteen cars, which could run through to Montreal as a solid, Maritime fish express.

These, sir, are some of the facts bearing on the necessity for and the desirability of proceeding at once with the so-called Guysboro road scheme, which the February 20th article states was especially condemned, having been rejected by every government for thirty years, which statement I know from your well-known public spirit and sense of fairness, you will now abandon with the amende honorable.

THOS CANTLEY.

New Glasgow, N.S., March 8, 1924.

[Mr. McIsaac.]

My hon. friend (Sir Henry Drayton) must have read the article in the Gazette to which this letter is a reply. Under the circumstances I do not think it is necessary for me to say anything further. If the necessity for this road has not been proven by the explanation of the Minister of Railways and the few remarks made by myself, surely the statement of Colonel Cantley will convince any person here of the merits of this enterprise and the necessity for its being carried to completion.

Sir HENRY DRAYTON: I am quite willing to admit at once that I never read the letter; but after having heard it read, I find I am entirely right in my statement. The whole argument in that letter is to get rid of the old grade, to get a new line. It is a line to Mulgrave. This is a line to the sea. I am afraid there is nothing to take back. I am quite content to leave this whole matter in the hands of the minister if he will ask Mr. Hanna if he ever recommended such a line and if he is in favour of it to-day.

Mr. MACDONALD (Pictou): Does my hon. friend say that what Colonel Cantley said was untrue?

Sir HENRY DRAYTON: I said nothing of the kind. My hon. friend knows I did not say that. I said that it was a line to Mulgrave. This is a line to the sea.

Mr. MACDONALD (Pictou): My hon. friend disputes the accuracy of the statement that the board presided over by Mr. Hanna had recommended the construction of a railway from Sunnybrae through the county of Guysborough—

Sir HENRY DRAYTON: To Mulgrave.

Mr. MACDONALD (Pictou): Not necessarily to Mulgrave. My hon. friend had better read the letter of his friend, Colonel Cantley and find out if he does not speak of railway construction having been adopted by the board of which he was a member, and the only reason why it was not adopted by the government led by the right hon. gentleman who now leads the opposition (Mr. Meighen), was the decision that was come to by the treasury board of the cabinet. That was the reason. I do not know why my hon. friend should take this position of antagonism to a project which has so many merits and which ought to be constructed in the interest of the Canadian National Railways and of the country. We in Nova Scotia occupy a very peculiar position, in

that it was uttered or written by Sir Henry Thornton. It dodged details at every turn. I want simply the details. Put them on record, and let us have something to try out the capacity of the board. Then we can vote with at least some semblance of intelligence. If we proceed on the present path we vote simply on the romance of Hansard.

Mr. HANSON: One sympathizes with a county the size of Guysborough, on account of the fact that it has no railway communication, but I think that we cannot afford to spend the large sum of three and a half million dollars on the mere question of sentiment, strong as sentiment may be. I should like to call the attention of the committee to a statement made by the Minister of National Defence to the effect that the road was not proceeded with in 1916 because of the financial condition of the country, and I should like to put this question to my hon. friend: Does he, or do the members on the Treasury benches, consider for a moment, that the financial condition of this country is comparably as good as it was in 1916? Does he think that a burden that was too great in 1916 is a small burden to-day? I do not think the taxpayers of the country consider that it is. It seems to me that the hon. gentleman himself gives the best reason why this vote should not be given in this year of grace 1924, when he says that the burden was too great in 1916; and I think it follows, as night follows day, that everybody will agree the burden is too great to-day, if you are viewing the matter from the standpoint of national economics and national burdens. What is said in favour of this resolution? My hon. colleague from St. John and Albert (Mr. Baxter) has, I think, with a great deal of force exposed the fallacy of the argument which has been used in support of the proposal, but he has not given all the local conditions. It is true that the people living in the interior of the country are without railway communication, but he forgot to tell the committee that the people who live along the coast line of that county—and I venture to say that the great mass of population in that county live along the coast line—are for the most part served, and fairly well served, with a subsidized steamship service which this government and the country help to pay for and maintain.

The fishing industry has been referred to, and I say that the strongest argument that can be used in support of this line is that the fishing industry can be developed and well served by the establishment of a steamship service to and from Canso and along this coast.

Something has been said with respect to the great timber resources of that country. I happen to know a little about the timber resources of that country. A company in which I am interested owns in fee simple a very considerable portion of the area covered with timber. I say to hon. members of this House that, in so far as soft-wood lumber is concerned, I doubt if any of that lumber, except for the purely local market, will ever be moved by rail. You have only to go to a good-sized atlas and observe the fact that that portion of the province of Nova Scotia, and in fact I might say all portions of Nova Scotia, are very well watered, that there are numerous drivable and floatable streams, and that the timber will inevitably be brought to tidewater by the floating process, and there manufactured and shipped by water, either to the markets of Great Britain; or to the New England states. These are the only two markets that are available, and I happen to know that this very property to which I refer was always operated in that way in the hands of previous owners, and will be operated in the future by the present owners in exactly the same way. It is the only commercially profitable way in which to handle a timber limit like this. Then my hon. friend speaks of the immense quantity of hardwood lumber. Does my hon. friend know that the day has not arrived, so far as eastern Canada is concerned, when it is commercially profitable to manufacture and sell hardwood lumber?

People have tried it. Men well experienced in the lumber manufacturing business have tried it, and I say there is absolutely nothing in the hon. minister's contention that this is desirable from the standpoint of the lumber industry. The most important argument in favour of this vote is from the standpoint of the fisheries. That is the strong argument, and I advise my hon. friends on the opposite side who are anxious to see the vote go through to stick to that as the test. It has more merit than the argument in regard to the timber business. I do not know that the country is specially concerned with what transpired in 1911, or even in 1915 or 1916, to which reference has been made, but I would like this committee and the country to understand that the proposal before parliament to-day is an entirely different one from that before parliament in 1911, or even 1916, as I understand the present resolution and the resolution of 1916. The former resolution had merits from the standpoint of the betterment of the line of railway, and it is a

like to base any action upon any representations that he might have made. But I assume that Colonel Cantley was, and probably he was, more reliable than my hon. friend; I assume that his letter is correct. I heard it read but I could not distinguish the words and so I do not know what the contents were. I was present during the reading of it, and while I do not know just what it stated, I am assuming that it was correct. But I challenge the building of this or any other railway upon any statement, however convinced the writer may be, unless that writer is in a position in which he is responsible to the people of Canada for the conduct of their railway business. My hon. friends who quote Colonel Cantley to-day took good care that he did not remain to give advice in regard to the railways. They did not trust him.

Mr. COPP: He resigned.

Mr. BAXTER: Well, it is to be hoped that some other members of the board will resign for a similar laudable purpose.

Mr. GRAHAM: He resigned and got out, and the Minister of National Defence kept him out.

Mr. HANSON: He did resign; for once the Secretary of State is right.

Mr. BAXTER: Assuming that the things in Colonel Cantley's letter are correct, he alone cannot be the depository of that information. It must be known to others; it must be a matter of absolute record with the Railway Board; it must be known to Sir Henry Thornton or be under his control. And what I think the people of Canada want to-day with reference to each and every one of these votes is not a swapping of passages from Hansard, is not a reference to people who are not in this House, is not a reference to people who are not the controlling board of the railways, but rather a statement in detail of the cost and the anticipated revenue which will come from the expenditure of public money. We are surely down to the day of business in the matter of our railways, regardless of the political fortunes of any party. I am not going to draw the line even there, however, and say that I would not support an expenditure for a branch line which on the face of it would be a non-paying or an actually losing proposition. I can see, in regard to many of these resolutions, which I shall not debate seriatim, that there are some in connection with which, certain moneys having been already expended, it would be far more wasteful to discontinue operations and so destroy what already exists, when the spending of a comparatively small amount would complete the work. Then there are other cases, more particularly in the West, where it would be bad policy not to reach out and help to develop the country so as to retain the people who are already there and bring in others to promote the general prosperity. That will be good business, looking to the future. But it should not be a matter of my judgment based upon a bundle of assertions made from all sides of the House; it should be a matter of judgment based upon responsible reports from the responsible people whom the country has put in charge of the railways. And that information up to the present time is absolutely lacking.

The hon. member (Mr. Carroll) read what seemed to be an interesting statement although I could catch only a few words occasionally on this side of the House. I thought I caught some reference to the amount of steel that would be handled. That is precisely the sort of information I want to see in Sir Henry Thornton's report; I should like to have an estimate of the number of tons of steel that will in all probability be transported by such a line, the revenue that will be derived, the cost of transporting, and all contrasted with the existing line. Let us have information of that character. Is that an unreasonable request? We cannot check up the truth or accuracy of that information, but this House and the country can, if the railway board is in existence after the building of the railways. And at that time, if we find that there has been a blunder, we can turn the responsible person out of office. We are more likely to get real information from actual railway men than we are from any number of politicians who during a series of years have been burdening Hansard with hopes, desires, requests and prayers. That is what I want to get down to. I would not for two minutes take the word of the Minister of National Defence (Mr. Macdonald) as to the need of the road, the cost of it, or its probable earnings; not that I charge the hon. gentleman with deliberately misrepresenting things, but because I would not believe that he would have in his possession information as accurate and reliable as could be obtained from the railways. Some one will say: He might go out and get it from the railway. Very well, if he does that, it will be all right, in all probability, to let the railway bring the information here. All that I heard to-day was a perfectly nebulous address, such as might have been made before a sewing circle, with reference to the need of the branch lines in Canada. The only thing that distinguishes it from a sewing circle address is the fact

taken out. The forest conditions in that part of the country are far more vast and extensive than are to be found in the interior of New Brunswick. As regard the fishing industry to which the hon. member for Antigonish-Guysborough (Mr. McIsaac) has referred so ably, I know of no part of eastern Canada where natural conditions are so generously provided as in that territory.

The question is whether this proposition, ratified and approved by all men of all political parties in our province who know the situation at first hand, shall be approved or not. We have the recommendations of Sir Henry Thornton and of the previous Canadian National board; we have the ratification of both political parties and of all governments since 1910 in this House. If any difficulty is to be found with a project of that kind, then I would like to know what proposition can be submitted to this committee with confidence by this government.

Mr. BAXTER: I have just one difficulty in trying to make up my mind at all about this subject. We have been treated this afternoon to the reading, in a somewhat low tone of voice by the Minister of Railways and Canals (Mr. Graham), of some ancient excerpts from Hansard.

Mr. GRAHAM: Not a low tone of voice.

Mr. BAXTER: Well, with loud noises round about. I just heard the Minister of National Defence (Mr. Macdonald) say that this House should pay great reverence to the railway opinion of Sir Robert Borden and Colonel Thomas Cantley.

Mr. MACDONALD (Pictou): And both railway boards.

Mr. BAXTER: I will come to that; it is the important part of the matter, but I want to be allowed to browse along the pathway for a while before I reach the point. I will get there before I am through, and in my judgment no one has done so this afternoon who has advocated the measure.

Mr. MACDONALD (Pictou): Do not be so certain that you will get there.

Mr. BAXTER: I am neither opposing nor supporting this proposal, but I want to take a few minutes to show how, in my opinion, these things ought to be approached. The National Railway Board has been constituted with the idea of standing entirely outside of politics and managing the railways, if they can be so managed, as a business proposition, utterly, absolutely and entirely divorced from political interference. I wonder whether there is any dissent in this chamber to that view.

Mr. GRAHAM: The leader of the Progressive party dissented the other day.

Mr. BAXTER: If that view is accepted, why in the world should we be appealed to in address after address to take this or the other recommendation because forsooth some gentleman who is referred to, simply because of his politics, has advocated it at some time in the past or more tolerably near the present day? What difference in the world does it make to me whether Sir Robert Borden, coming from Nova Scotia, would have liked, at some time before the war when money was more plentiful, to see a road built in some part of his own province? Had I been in the House at that time I too should have wanted a road built in my province, and I should have felt that the country in those days could afford to be liberal and might almost undertake experiments in the matter of railways. But I do not feel so to-day; and with all respect for the statements of Sir Robert Borden, I think that the gentlemen who so freely quote him should give him credit, if he were here, for having a different outlook upon the financial situation of the country from that which he had so many years ago when he advocated this and perhaps other expenditures. I am not against the building of this road, and I am distinctly not for it; I am merely trying to reach a principle which I think should underlie the construction of all these lines. First of all, let us discard the musty Hansards. If you build a line and it does not turn out according to expectation, the question seems to be, can you hang Hansard somewhere? What is the sense of it? Can you reach the men who are reported therein and punish them in any way for what might have been mistakes? And sometimes they were not mistakes, because most of those who spoke were simply putting forward the things they desired to see done and were not perhaps over careful about the evidence that lay behind. We are referred to Colonel Cantley. Colonel Cantley seems to have almost annoyed the Minister of National Defence (Mr. Macdonald) by opposing him as a candidate.

Mr. MACDONALD (Pictou): I was glad he did.

Mr. BAXTER: Then it is a case of joy. But if Colonel Cantley was no more reliable in the addresses he made with regard to the railway than the Minister of National Defence was in regard to the promises he made in that election, then I am afraid I should not

this sense, that we are the one province of the Dominion that has only one line of railway—

Mr. HANSON: No. The Canadian Pacific.

Mr. MACDONALD (Pictou): If my hon. friend will permit me, one line of railway through which our exports can be sent out of the province and through which we can bring imports in. There is a line of railway running through the Annapolis valley, beginning at Halifax and ending at Yarmouth, belonging to the Canadian Pacific. When I say that the Canadian National is the only line of railway in the province, I mean that it is the only line of railway which runs from our province into any other province of the Dominion, because the connections the Canadian Pacific have are by boat with the United States and the city of St. John. So, for continuous transportation in railway cars, we have to depend wholly and solely on the Canadian National, and for railway construction we must depend upon it. The situation here is nothing more or less than the completion and extension of a project adopted in 1911, when the estimate of the then Minister of Railways, who is the present minister, was passed through the House of Commons with the unanimous consent of all political parties, and with the decided approval of Sir Robert Borden who was then leader of the opposition. This step was taken that the line of railway running from Ferrona to Sunnybrae was purchased from the Nova Scotia Steel Company. Hence it is that the Word "Sunnybrae" has come into the discussion of these questions, by virtue of the fact that in the carrying out of the policy of construction, this line of railway, eleven miles long, was purchased. The government of Sir Robert Borden, through Mr. Cochrane, as was mentioned by my colleague the Minister of Railways, made in 1915 and 1916 elaborate surveys of the whole situation there, and the statement was made by Mr. Cochrane in 1916 that it was the intention of the government to proceed with the construction of this particular piece of road. The financial situation which arose on account of the prolongation of the war alone prevented the completion of the scheme which all parties supported in 1910 and 1911. When the Canadian National Railways had come in, in 1919, under the act of that year, the project was taken up and dealt with by Mr. Hanna and his board, Colonel Cantley surely ought to be the best person to give evidence on that subject, and I would recommend that the hon. member for West York (Sir Henry Drayton) should peruse carefully the statement of his political friend, Colonel Cantley, who was my opponent in the last election. After he has done so, if he has any sense of fairness, I am sure he will withdraw the statements that he has been making by way of opposition to this project. The fact that Sir Robert Borden, Colonel Cantley and Mr. Cochrane, in all this period, were in favour of this proposition removes any possible suggestion of the political ideas that my hon. friend puts forward in regard to it. The line of railway up to Sunnybrae was originally built for the purpose of carrying iron ore which was smelted in the first iron furnace to be erected in this Dominion at a place called Ferrona on the line of the Intercolonial. Later on the Nova Scotia Steel Company obtained possession by purchase of vast iron areas in Belle Isle, Newfoundland, from which ore could be obtained very cheaply, being really a steam shovel proposition. Hence, they stopped using the ore which was found along this railway. Not merely the possibilities, but the probabilities and certainties as to the extent of iron and other minerals in that part of the country have been proved by the fact that this iron was obtained from ore found in the immediate vicinity of Sunnybrae. The agricultural possibilities of that country have been proven beyond the shadow of a doubt. The conditions of men who farm in the east river St. Mary and the west river St. Mary cannot be surpassed in any part of Canada.

Mr. HANSON: Is the east river St. Mary settled agriculturally? Is it not a forest above tide water?

Mr. MACDONALD (Pictou): The east river St. Mary begins at the Atlantic in Guysborough county, runs through the county of Guysborough, comes to the constituency which I represent and runs to a lake called Eden lake. The district in that vicinity is so splendidly situated from an agricultural standpoint that it is called the Garden of Eden, and it is known as the Garden of Eden to-day.

Mr. HANSON: It is a great hunting district.

Mr. MACDONALD (Pictou): No. my hon. friend should come down there. If he comes, he will find beautiful homes, fine farms, splendid production agriculturally. Across the lake he will find immense forests of hardwood timber which is not to be had to-day in many parts of Canada, as well as softwood timber, which, in view of the fact that they are twenty-five miles from a railway, cannot be

well-known fact that in eastern Nova Scotia the grades of the Canadian Government railways, now the Canadian National lines, are extremely heavy and it was intended not only to serve a local purpose, such as outlined to-day, but it was intended—and I venture to say that this was the main purpose of the vote, whether it was political or not does not matter—to improve the main line, to serve the industries and to provide a direct connection between the Canadian West, Montreal and Great Britain. The local connection was merely incidental. But that is not this proposal at all. This proposal is to build a branch line from a little village called Sunnybrae to the small town of Guysborough, a town which I venture to say has not a population of a thousand people. And yet we are asked to vote $3,500,000 without a word from the traffic experts of this railway. Now, it is not fair to parliament to ask members to vote this amount of money for the extension of the present branch line, unless we have it down on the basis of dollars and cents. No one has stated in this House that this line would pay, even in the dim, distant future. No one has given us an estimate in dollars and cents of any proposed earnings. No one has given us a statement of what the cost of operation may be compared with the capital expenditure. I do think that before the government or the National Railways ask parliament to vote a large sum of money like this, they should take parliament into their confidence, so that we shall know whether this is a business proposition or whether it is a proposition to assist a community that has been declining for years, if that be the case, or whether it is simply on the basis of giving service to a community that has not had service. Everybody will agree that this county has not had railway service, but there has been a reason for it—it would never pay, and nobody ever thought it would. Any construction of lines there would simply be a detriment and a liability to the national lines rather than an asset. Will the minister say that a single one of the present branch lines in New Brunswick and Nova Scotia would to-day be justified on the basis of their being an asset to the National Railways?

Mr. GRAHAM: They were taken over, though, by the late government.

Mr. HANSON: That is no answer, although it is the argument that is always used—"you did this" or "you did that." That is no justification for my hon. friend's government. In New Brunswick the management to-day are endeavouring to institute a system of electric operation by motor cars in order to keep down the tremendous deficits on these branch lines. Yet we are told that the management are asking for a capital expenditure of three and a half million dollars to add to the already enormous toll that these branch lines are taking out of the system. There is no doubt about that; I have one in my county, a little line of six miles that serves a much more prosperous community, I venture to say, than even the Garden of Eden in my hon. friend's constituency. It is known as the York and Carleton railway and runs through the parish of Stanley. It cost $24,000 a year to run that branch line under present conditions, and the revenues never exceed $9,000. The management, therefore are quite justified in taking steps to decrease that drain on the earnings of the national lines. I venture to say that this proposal will simply be an exaggerated case of the York and Carleton railway. I do suggest to the minister that before he goes further with this resolution he obtain from the traffic department of the railway a frank statement of the possibilities; then let us try to look upon this matter from the point of view of business, not of politics, from the point of view of pure reason, not of expediency. Then let us ask ourselves the further question: If this road was not justified in 1916 because of the financial condition of the country, is it justified to-day?

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. LEWIS: I wish to gain just a little information in regard to the resolution before us, and especially with respect to the expenditure of $3,500,000. We heard a statement read this afternoon that the line when it shall be completed, that is, if an extra thirty miles were to be added to it, would cost in the neighbourhood of $8,500,000, but I understood this would mean the line completed, with stations, sidings, and so forth. In this resolution we have the sum of only $3,500,000, which is to cover the work for 67 miles, whereas the $8,500,000 would complete the work on say 93.8 miles, as given by one hon. member opposite. I would like to know if this $3,500,000 is the total cost in the first place of the railway with stations included.

I have also made a slight comparison between the cost of this line and other lines, and I find that this line is costing $52,000

per mile, whereas on the western prairies the average cost is about $32,000 per mile, and I was wondering whether this greater amount was due to more difficult territory that the railway would run through. I should be glad to hear from the minister on that point.

I am not standing on my feet to ask these questions with the idea of opposing this line. I have made a very careful study of that part of Nova Scotia so far as it is possible to make a study of it from maps and the various statistics that are given to the House. I have a great deal of sympathy with that part of Nova Scotia, because I can readily understand there is a large part of that province which has no railway whatever, and for that reason it does seem to me that a railway may be needed. We heard from the speech that was quoted from a paper this afternoon that Sir Robert Borden had travelled over a vast stretch of territory in that part of the country, almost 500 miles without a railway. Now as far as I am able to judge from the statistics that have been given and the information we have in regard to this line, it will not be altogether satisfactory to the people it is intended to serve, because it will not reach the greater part of them. I find that at the present time the Canadian National railway runs from Glasgow to Port Mulgrave, and this proposed line is going to run from Sunnybrae to Guysborough, a distance of 67 miles. I have endeavoured to judge the distances from the map, and as far as I can see at no point is this proposed railway more than 15 or 20 miles distant from that other line. It practically parallels it all the way through.

Mr. CARROLL: My hon. friend has made a study of this particular railway would he tell the committee how far it is from Port Mulgrave to Guysborough, the terminus of this railway?

Mr. LEWIS: I was taking it straight across whereas these two points are diagonally across.

Mr. CARROLL: The hon. member has made a statement that is misleading.

Mr. LEWIS: I said that as far as the line runs parallel it is about 20 miles distant.

Mr. MACDONALD (Pictou): More than that.

Mr. LEWIS: What I say is that from Sunnybrae to the coast line immediately to the east it would be fifty miles, and there would still be a territory of 50 miles with no railway. That fifty miles is gradually reduced until at the end of the railway it is about 20 miles. I am not trying to oppose this line at all, but if service is the thing that is to be rendered it does seem to me that it would be wise to run a branch from Musquodoboit, where there is a line at the present time, up as far as Guysborough, and then have a branch line from Sunnybrae into the main line, from Musquodoboit to Guysborough. I think that would serve the people better.

We have been asking for various statistics in regard to the mineral and other wealth in the territory covered by this proposed line. In the mineral map, to the southeast, this country, so far as minerals are concerned, is apparently called the gold territory. In the immediate vicinity of Sunnybrae I find that there are iron deposits, but after you get past Sunnybrae I do not find any iron deposits at all.

One statement that has been made is that this railway would assist to a great extent the fishing interests. So far as that is concerned, I think it would be very difficult to interest the fishing industry in a railway which at one end is approximately fifty miles from the coast line and at the other end twenty miles. That would hardly seem to assist them in any great measure, and I was wondering whether at some future time parliament would be asked for a further grant of money to continue the Canadian National from Musquodoboit right up to a point near Sunnybrae, to provide that territory with the railway facilities that are needed. I find that southeast of the railway there is a stretch of country where there are hardly any inhabitants, and so I immediately looked up the map in regard to density of population, and found that Sunnybrae and the territory within a radius of probably seven miles is fairly thickly populated, but immediately you leave the county of Pictou and pass on to Guysborough the railway runs through a territory that averages from four to ten people to the square mile.

I am not opposing this railway but we do know that a branch of the Canadian National or of any other railway can only pay by service, and I was wondering whether the minister would consider that this line would pay in the direction in which he is taking it, and whether it would not be of greater service to the people if it were immediately to the southeast. As I said before, it does seem to me that the people in the immediate vicinity of where this line is to be projected are being taken care of by the railway to the northeast, that is the line from New Glasgow to Mulgrave, whereas the inhabitants of the southeast part have no railway at all. For that reason I should like the minister to give us a little information in regard to that part of the

country—how they expect it to be served, and what will be the amount of revenue necessary to make the line pay.

Mr. MACDONALD (Pictou): My hon. friend, of course, labours under the same disadvantage, in speaking about the location of a line of railway in the province of Nova Scotia, that other members suffer from when considering the location of railway lines in Saskatchewan and Alberta when they have not visited the territory in question. Very little idea of the true situation can be got at any time by simply looking at a map, such as a railway map. In this case one may easily be led into some misapprehension by depending altogether on a map. The fact is that the province of Nova Scotia is really an island. Its connection with the mainland is by a narrow piece of land well known as the Tantramar marsh. The distance across is about twenty miles. The existing line of railway follows the north coast of Nova Scotia, in immediate proximity to the straits of Northumberland. Sunnybrae is the terminus of a line of railway which was purchased in 1911 by the then government as the beginning of a scheme of extension, not in the same direction as the existing line of railway but at an angle of about forty-five degrees, running in an easterly and southerly direction away from the other railway altogether. I want to say that this proposition stands in very much the same position as do a great many of the enterprises in the west that are provided for in these various resolutions. Railways were started before the war and progressed to a certain extent. Some of them were graded, in some cases a large portion of the line was laid, a great many of them were in various stages of construction. This particular railway was in exactly that position. It had been inaugurated and agreed upon by all the responsible people at the time. A line of railway eleven miles long was purchased leading to Sunnybrae, the direction in which this line was to go. There are valuable forests and fisheries in the territory adjacent to the line. In the same district are splendid farming lands; I do not think there is any one in eastern Nova Scotia but will admit that there are no finer farming sections or more comfortable homes and better conditions than are to be found there.

There is one phase of the matter which has not been mentioned, and I have sent for the report of the Commissioner of Mines of Nova Scotia in order to justify my statement. For years large quantities of low grade gold ores have been found at various places in the southern portions of the counties of Guysboro and Halifax. These were referred to by Sir Robert Borden when he was Prime Minister and when the opening up of this section was previously discussed. A very large quantity of gold has been taken out from time to time, but as the discoveries were made at inaccessible points far removed from a railway, it was found almost impossible to bring in suitable machinery to treat the low grade ores, or make it financially satisfactory for people to exploit them. The reports of geologists and of mining experts are to the effect that if facilities were provided so that machinery could be brought in to treat these ores in a proper way a large return would undoubtedly be derived from them. There is no question but that these low grade ores exist. The only problem is how to treat them and extract the gold contents in a manner commercially profitable. This statement, in brief, explains the situation. The agricultural, mining, fishing and lumbering resources are there awaiting development, and there will be satisfactory returns once this development is under way. The proposed railway runs away from the existing lines. As I said it is almost at an angle of forty-five degrees, perhaps thirty-five degrees, to it, and the farther you get from Sunnybrae the farther you get away from that existing line, and you cover districts where to-day the people are forty and fifty miles distant from a railway and cannot get their products out to market except by motor —which has only been in vogue for the last few years—or by horse and wagon.

Mr. HANSON: Would the minister be good enough to state why it is the vote is being asked this year if it is not being proposed to do any grading until next year? I understood from his preliminary statement nothing was to be done this year?

Mr. GRAHAM: That brings out very important points in reference to a three years' programme. People in districts not served by railways are very uneasy. In some parts of Canada the settlers have no railway transportation yet, although they moved into those districts believing that in a very short time transportation facilities would be provided. I need not go over the list but there are many places of this kind. Now when people come to other lands they do not lack courage but they become discouraged when they expect, year after year, to find a railway running past their door and their expectations are not realized. In some instances grading of lines has been done for a great many miles, and if that were not an indication that the people might expect a railway in a

reasonable length of time, then there is nothing on which such an expectation could be founded. In this particular instance the line was surveyed a few years ago. Public men took an interest in it, and members on both sides of the House pledged their support to the building of the line. The people have been expecting it to be built for some time just as other people in districts throughout the West have been living for some years on the same expectation. Now these people are not anxious to move out, they would rather stay in Canada; but if no transportation is provided they will be compelled to leave the country. I believe, from the facts within my knowledge, that the psychology of telling people in a district that they will have railway transportation in a certain number of years will have a marked effect in bringing to an end the emigration of our people to other lands. A promise in an estimate—I say it advisedly—is not any good for the present condition of affairs; but if parliament in its wisdom sees fit to embalm in a statute the pledge that although these lines may not be built this year, there will be material advancement with them in the course of three years, that will inspire the people with fresh courage to stand by their guns and keep their homes in this Dominion. I believe the psychology of laying out a programme for three years will have a marked effect upon the feelings of the people of the Dominion. In laying out a stated programme the Canadian National line will be in exactly the same position as a private company. A private company lays out, and presents its programme sometimes five years ahead, yet possibly railway communication will not be provided for for years to come. But they have an appropriation which is not recalled and which is used until it is exhausted. In this three-year programme, the Canadian National is asking to be placed only on the same footing with the same opportunity of extending its branch lines as a private company is placed by its directors and shareholders. But above and beyond that, the fact that we say, by legislation, that the court of parliament is prepared to construct these branch lines, will prevent hundreds, if not thousands, of Canadians from moving out of the country.

Mr. MEIGHEN: The minister is well known throughout the country as a master of humour and very good humour, but he seldom tries to disguise it as he did to-night under a serious mien. He affects to tell this committee that we are suffering from emigration; that men are getting discouraged and moving out; that they cannot be restrained from going by an estimate in the Appropriation Act to build a railway, but that if you put it into another act, a branch line bill, why, they will stay.

Mr. GRAHAM: I did not say that. At least, that is not what I intended to say. My right hon. friend is not quite giving my meaning to the committee. It would be impossible for any person to put through this House at this session an estimate for all those lines, but it is possible to make a pledge in a statute that this amount will be spread and expended over a period of three years.

Mr. MEIGHEN: I do not know whether the minister thinks he has improved the situation. I will repeat what I said.

Mr. GRAHAM: It does not need improving.

Mr. MEIGHEN: It needs it badly. The minister wants to convey to the committee the impression that this is to be a pledge that these roads will be built in three years. He knows it will be nothing of the sort, not a whit more of a pledge than an appropriation in the Appropriation Act.

Mr. GRAHAM: All this amount would not be put in an appropriation for one year.

Mr. MEIGHEN: The minister can put in the amount to be spent in one year.

Mr. GRAHAM: My right hon. friend knows he would fight it twice as hard as he fights the branch line bill.

Mr. MEIGHEN: The minister says that if you vote all the money you need for 1924, that will not do, because that is not embalming it; you get it embalmed when you put it in a branch line bill. There is not a whit more security for a settler in a branch line bill than in an appropriation act, nor is there as much. In an appropriation act, the money is voted on the theory and the principle that it is to be spent that year. We are asked this year to vote money that the government does not intend to spend at all, because the fact of our doing so will keep settlers in this district, but if we voted money to build the road this year they would run. Such is the theory of the Minister of Railways.

Mr. GRAHAM: I am sorry, but I did not express any such theory. That is the theory my right hon. friend is expressing, not mine.

Mr. MEIGHEN: That is precisely what the minister says, in effect.

Mr. GRAHAM: Not in effect.

Mr. MEIGHEN: And in exact effect.

Mr. GRAHAM: Not at all.

Mr. MEIGHEN: Because when he tries to give out that there is a pledge in the bill, there is no pledge at all. From now to the end of the session, you can pass ten bills a day of this character, and that is not a pledge to anybody that a mile or a foot of road will be built. The minister is not going to spend a dollar in this district this year, as I understand the matter. Why is he before parliament this year? Is he afraid that the Canadian Pacific might get in and pre-empt this territory?

Mr. GRAHAM: I am not speaking for the Canadian Pacific. Possibly my right hon. friend is. I am speaking for the Canadian National.

Mr. MEIGHEN: I did not insinuate that the minister was speaking for the Canadian Pacific, and I should like to know why he insinuates that I am.

Mr. GRAHAM: My hon. friend suggested that I was trying to keep the Canadian Pacific out of Guysborough.

Mr. MEIGHEN: That is mentioned in the letter of Sir Henry Thornton. He says that one of the things that has governed them has been the consideration that we should take territory that might be taken by others. There is only one other person that might take it. This is a special case. The minister does not intend to spend any money at all this year, so one would naturally assume that that was the application. The minister knows there is no chance whatever of spending this money, so why is he before parliament this year with a request for authority which he does not propose to exercise, and that next year can be given just as well as now?

Mr. GRAHAM: For the same reason, possibly—I will not say the same reason because I do not know what his reason was—that my right hon. friend put through a highways bill, paying so much each year. The amount due the year following was not to be paid the first year at all, yet he put the amount in the bill for ten years in advance. He objects to a railway programme of three years, but he made a highway programme for ten years without one dollar of it ever going into the estimates, except for salaries of officers at Ottawa.

An hon. MEMBER: Five years.

Mr. GRAHAM: Perhaps it was. My recollection was ten years. His reason was the same as ours in this. In order that the people might know that they were going to get the highways, he spread the amount over a period of ten years, so that there would be no question. If he had had to have so much one year and so much the next, he would have put it in the estimates. The same thing applies to the appropriation for agricultural instruction. If his theory is good in this case, it would have been good for him to put in the estimates the amount intended for the year for agricultural instruction. But did he do that? No, he brought in a bill and not an item was put in the estimates in any year for that expenditure. Further than that, some years ago I had the honour of introducing a bill in this House for the removal of level crossings in Canada, railway construction in that sense. Parliament unanimously spread it over a term of years, voting a certain amount each year on which the Board of Railway Commissioners could draw for the government's share of eliminating level crossings. If my hon. friend's theory is right to-night, then I should have gone to the Railway Commission and said: How many crossings are you going to order eliminated this year and we will put in an estimate? Now, apparently that was not the proper thing to do. In 1919, my right hon. friend had that bill renewed for a term of years, and it is in the statute books to-day. The same is the case with subsidies granted to railways other than our own. Subsidies are spread over a term of years, the amounts to be paid to companies when their certificates of construction are received. Why should we not use our own line of railway as fairly as we have used other lines of railway, when we gave them subsidies? If my hon. friend wants to take the attitude of being opposed to the Canadian National, he has a perfect right to do so, but he has no right to do so under an assumed belief.

Mr. MEIGHEN: The minister has got quite heated and delivered a rather rapid and eloquent oration. The only difficulty is that it is not correct. I have not had time to go through all the estimates, but I have managed to get to one even though he has travelled very fast. He stated that we passed an agricultural act without a word of placing anything in the estimates. We put through an act, but we put an amount in the estimates every year.

Mr. GRAHAM: Paid by statute. It was under the authority of the Agricultural Instruction Act.

Mr. MEIGHEN: No, under the estimate. I have the 1923-24 estimate which reads:

Grant to the provinces of Canada for the purpose of assisting and encouraging agricultural instruction, grants to be made on a proportionate basis. 1923-24, $900,000; 1922-23, $1,100,000.

Mr. GRAHAM: My hon. friend need not think he can get away with that. That is after the appropriation ran out under the statute.

Mr. MEIGHEN: It is the year before it ran out. Both years are in the estimates.

Mr. GRAHAM: He read them both.

Mr. MEIGHEN: Both are in the estimates. One was for the year 1923-24, $900,000; the other for the year 1922-23, $1,100,000, voted every year and debated on the floor.

Mr. GRAHAM: I should like to see it.

Mr. MEIGHEN: I will send it across.

Mr. GRAHAM: I know about this one.

Mr. MEIGHEN: The minister does not want to see it now.

Mr. GRAHAM: Oh, I know about this one.

Mr. MEIGHEN: I have no objection to a bill going through in respect of any line that is essential, and the minister knows that. The minister does not need to insinuate to the House that I am an enemy of the National Railways; he could not get a soul in Canada, however innocent or partisan, to believe that.

Mr. GRAHAM: A good many people believe it now.

Mr. MEIGHEN: All I ask is that the government shall do what we did. When the late government passed an act it was not afraid to come to parliament annually in the constitutional way and have the necessary money voted. We came to parliament for every dollar we required. Whatever we needed by statute or otherwise for the National Railways we included in our estimates every year, and there is no more need to do otherwise under Sir Henry Thornton than under Mr. Hanna. There are no more rights accruing to the present directorate than to any former directorate, and the necessity then is precisely the necessity now, neither more nor less. So that all this talk about having to plan ahead and the like of that is just so much political moonshine. The hon. member himself has fathered bills that contemplated expenditures extending not over two or three years but over ten years, and he has come to parliament for the money year by year to be voted; and parliament in deciding to vote the money took into account the fact that it was in pursuance of a programme which the government had laid down. I do not know why parliament cannot be trusted to do in any year what it decides to be in the interests of the country; and there is nothing to hinder the railways from laying down their programme. It is merely an attempt to avoid the constitutional review each year at the hands of parliament of the estimates demanded by the government from the representatives of the people.

Mr. GRAHAM: Not at all.

Mr. CHURCH: No one is more anxious than I am to see the National Railways made a success in order that the great burden which is bearing down upon the people of Canada at the present time may be lightened. It is the desire of every good citizen in the country to give to the heads of the system a free hand to administer it to the best possible advantage. But when an attempt is made to convert parliament into a sort of rubber stamp it is time for objection. There is no railway system in the world today that is being carried on in the way the Canadian National Railway system is being operated at the present time. As the hon. member for St. Lawrence-St. George pointed out yesterday, a sum of over $2,000,000,000 is tied up in our railways, and the capital cost of these 1,000 miles of branch lines, $28,000,000 as estimated, may yet go to $50,000,000 or $60,000,000 when the lines are constructed. Is this the right time to build in a period of high prices having regard to the high cost of labour, the expensiveness of material and various matters of this kind, and when in the present state of affairs there is imperative need for retrenchment rather than unnecessary expenditures.

What will be the effect of the construction of this thousand miles of railway in relation to the questions of lessening transportation costs, freight rates and the balancing of the budget? In the budget speech last year the Minister of Finance expressed the hope that some curtailment would be effected in connection with the operation of the railways. There was a deficit on the National Railways of some $70,000,000 at that time, and the necessity for retrenchment is more insistent to-day than it was then. Where is this money for these branch lines to come from? It will not come like the dew from Heaven; it cannot come out of the earnings of the road. We shall have to go into the market for this $28,000,000 or $30,000,000 capital and borrow it, and we shall have to pay a high rate of interest on it. With things as they are in the country to-day in the cities

and towns, the cost of living being so high, the people are clamouring for a reduction of taxes; but it seems according to the present programme, that we may as well say good-bye to any hope in that direction. Certainly with an increased capital expenditure of $28,000,000 on branch lines we cannot look forward to any reduction in transportation costs for years to come; and I venture to predict that next year, we shall probably be asked to vote $50,000,000 or $60,000,000 in connection with branch lines.

Under these circumstances we need not look forward to seeing a balanced budget. In France they have been able to balance their accounts, and in England a year ago Stanley Baldwin's budget showed that the Mother Country had been keeping her capital commitments in check and providing for sinking fund and fixed charges out of earnings. The same thing is true of the United States. Does any hon. member know of any other country that spends money in this haphazard fashion, projecting branch lines here, branch lines there and branch lines everywhere without proper reports? Do you think the board of directors of the Canadian Pacific Railway would authorize the expenditure of $28,000,000 on branch lines on the basis of such meagre information as we have been given in this chamber in connection with these proposals? Not at all. I am an advocate of public ownership, and I yield to no one either in this House or out of it in my support of the National Railways. But I certainly do believe that they should be economically administered, and I regret to say that in my judgment they are not. Now there are no branch lines proposed for the province of Ontario. That province has had to build its own branch lines. Some of the proposed lines before us certainly could not be classed in the category of works for the "general advantage of Canada" so as to come within the four corners of the Railway Act. I do not want hon. members from the province of Nova Scotia to think that I am opposing the construction of railways in that province particularly. That is not the case. I shall be making only a brief speech on the whole railway proposition, and it so happens that I am bound to refer to the province of Nova Scotia. No one is more eager to see the three Maritime provinces receive justice at the hands of the Dominion than I am, for it is my opinion that they have never got a fair show from confederation in connection with transportation. When I refer to this matter to-night therefore I do not do so for the purpose of offering any criticism; I am merely criticising the general policy before us in regard to these branch lines.

I do not see why these twenty-eight branch lines should be treated any differently from the way in which our harbours are dealt with. Why should the National Railways be singled out for peculiar treatment? Last year the branch lines were all embraced in one bill which was thrown out by the Senate, and I venture to suggest that the Senate will do the same thing this year in connection with these bills on the meagre reports before us. I repeat, this is no way to submit a matter of this kind, of such vast importance, to the people's representatives. The Canadian Pacific Railway would not spend money on such meagre information, nor would the New York Central; and we have the opinion in that respect of the head of the latter corporation, the late Mr. A. H. Smith.

It seems to me that we are just going back to the position we were in ten or fifteen years ago in regard to railways. A royal commission was appointed to go over the whole railway system and find out what was wrong. They found that for our population, nine and a half million, we had as much railway mileage as they had in Germany with sixty-seven millions of people, or in France with forty-seven millions, or in the United Kingdom with a hundred and forty-six millions. The whole branch line programme is wrong and economically unsound at present, and cannot continue. The country will become bankrupt if we continue to pursue the course we have been pursuing. I believe there should be some branch lines. Some are necessary, but we should build only those lines that will fit in with the trunk line system and provide revenue—lines that will not be millstones around the neck of the National Railways for a long time or add to their fixed charges.

This commission which was appointed to remedy this state of affairs consisted of Mr. A. H. Smith, president of the New York Central, who was killed only last week, Mr. Acworth, one of the most brilliant operating railway managers in Great Britain, and the former head of the Railway Commission, Sir Henry Drayton, who is a member of this House. What did they recommend? Did they recommend that parliament should pass bills like this, for a branch line here, a line there and another line somewhere else? They recommended first, that before any money is voted by parliament for a charter or the extension of charters for branch lines,

these matters should first of all be referred to an impartial tribunal free from party politics, the Railway Commission of this country, for a report in relation to the whole matter. They recommended further that the National Railway system be brought directly under the control of the Railway Commission so that the commission will fix rates not only for the privately owned roads but for the publicly owned roads.

They also advised that no subsidies or guarantees for any kind of branch lines should be recommended to parliament before there was an exhaustive survey of the whole question from the engineering standpoint, the financial standpoint, the railway standpoint and the traffic standpoint. These were their recommendations. Why have they been ignored during the past two or three sessions of parliament? What is the Railway Commission for? You might as well abolish it if you are going to bring down bills for branch lines for this or that constituency in this haphazard manner. The Railway Commission has on its staff traffic experts at a cost of thousands of dollars. They have on their board freight experts. These men know all about the county of Pictou and Guysborough and all the rest of the counties getting branch lines and they know whether a road from one county into another, a distance of some six or seven miles, at a cost of $57,000 a mile is necessary. They can answer all these questions. My opinion is that these bills should never be passed by this House until they have been reported upon by the experts of the Railway Commission or before they have been referred to the standing committee on Railways and Canals. We might just as well give up trying to balance the budget, or look for any change in our expenditure, if we are going to add to the capital charges on the Canadian National as we would be doing if we passed this bill tonight. The earnings cannot justify it, and we have to go into the market for $28,000,000 of capital and borrow the money. When we consider the past commitments of the Canadian National it is folly to think of this expenditure and add to the system many miles of road that will not be able to meet the fixed charges, to say nothing of the operating charges. The hon .member for St. Lawrence-St. George (Mr. Marler) said $2,000,000,000 had been spent on railways and he seemed to charge it to public ownership but public ownership is not responsible for the situation of the Canadian National Railways. Public ownership did not build the Canadian Northern railway or the Grand Trunk, or the Grand Trunk Pacific, which is responsible to-day for the large bulk of the $2,000,000,000 account referred to yesterday by the hon. gentleman. In the province of Ontario to-day they are suffering just as much as any other province for the lack of railways and rolling stock. It was said that $400,000,000 was spent in the last three years by the National Railway for rolling stock. Very little of that went into the province of Ontario. On week-ends and holidays it is almost impossible to get cars for the railway. The Grand Trunk in Ontario was built by private parties and operated under private ownership, and it was in that province they made nearly all their money. It was a success until the Grand Trunk Pacific came into existence. They took $122,000,000 credit out of the old Grand Trunk in Ontario and $22,000,000 in cash, and invested it in the Grand Trunk Pacific in the West, and what is the result? Ontario as a result of the Grand Trunk Railway becoming bankrupt is suffering more than any other province for the lack of transportation. Is this the time to build branch lines, Mr. Chairman? We are in a period of high costs for labour and material and high charges for money. Are the New York Central, the Michigan Central and the Pennsylvania Railway system going holus bolus into the building of branch lines here and there, as is proposed in Canada? No. An embargo has been placed upon these heavy expenditures by the Interstate Commerce Commission. I do not believe that the construction of many branch lines would appeal to the advocates of pubilc ownership in this province.

Mr. BEAUBIEN: Does the hon. member think the interest rate on money is so high that the government should not construct the St. Lawrence waterway?

Mr. CHURCH: The sale of power alone will pay for that work and it is not proposed to go on with that until the financial situation permits. Is this period of high prices a proper time to go into these expenditures for railways? I read a report of an eminent engineer giving a survey of the capital expense of the various railway systems throughout the world, and almost without exception the directors of many large railway corporations have refused, and their boards of directors and their shareholders have refused, to vote money for any extensive capital expenditure. In the province of Ontario branch lines of the same description as these twenty-six proposed branch lines are built entirely by the province, and many of these Ontario lines connect with the Canadian Pacific and the Grand Trunk railways. I venture to say that

if this matter were referred to the Railway Commission the experts of the commission would say that many of these branch lines are not works for the general advantage of Canada, but merely provincial railways for the benefit of the province. In the province of Ontario they built a great railway system, the Temiskaming and Northern Ontario, which tapped the Cobalt district and other rich mining districts of New Ontario. Who built that particular system of railways in New Ontario? Was it this parliament? No, the province of Ontario did it itself. Ontario applied to this parliament for a subsidy for the Temiskaming and Northern Ontario but did not get it. Now it is proposed to extend the Temiskaming and Northern Ontario railway up to James bay, a purely federal matter, yet Ontario will have to do this itself.

Now, look what happened in Manitoba and Saskatchewan in the case of the Hudson Bay railway, a similar road to the Temiskaming and Northern Ontario. The Hudson Bay railway is being built not by the province but entirely by the people of Canada as a federal railway.

There should not be one law for Manitoba and Saskatchewan, and another for Ontario. There should not be one federal railway law for New Brunswick and Nova Scotia, and another law for Ontario. The Railway Acts calls for equality of treatment, and there should be no unjust or undue discrimination between provinces and localities in railway matters whether it be with reference to branch lines or anything else. The report before us gives us very little information. The economy cry is being raised now. I hope after the branch line bills we will hear no more about economy this session. We have here twenty or thirty millions proposed for branch lines. The Progressives are for the branch lines. When is an economy not an economy? When it's progressive.

Mr. BEAUBIEN: Is the hon. member in favour of building the viaduct at Toronto at a cost of $15,000,000?

Mr. CHURCH: Yes, I am in favour of building a viaduct at Toronto, and I will tell the hon. member why his estimate is wrong. They have a contract for the building of the viaduct in Toronto. In fact, I was just coming to that when the hon. gentleman interrupted me. The city of Toronto through its harbour board has expended $21,000,000 of the taxpayers' money on the basis of a contract made by this railway, yet they have money to throw away on such things as a skyscraper at King and Yonge streets, a non-essential, the Scribe hotel, and so on. They can do things like that, but they cannot carry out a contract made in 1913, with a city which has always kept faith with this government. I want to say to the hon. member that the government could not spend so much post office money in his riding were it not for the fact that out of the $29,000,000 collected from all post offices in Canada, $6,000,000 comes from Toronto.

Mr. BEAUBIEN: I may inform the hon. member that we really have no post office building; we have but a shack that is used for that purpose.

Mr. CHURCH: If you have not a post office then you will get a branch railway for the asking and if you do not get a branch railway it will not be Sir Henry Thornton's fault. Of $259,000,000 collected from the customs throughout Canada $60,000,000 of it or 24 per cent comes from Toronto. Yet we cannot get a post office there; we cannot get a customs house, not even a shack; we cannot get proper pay for our postal officials; we cannot get a viaduct which this government through the Grand Trunk Railway contracted to build. We cannot get anything for the citizens of Toronto. The government only pays one-third the cost of the viaduct, $8,000,000 or $9,000,000, and the receipts at Toronto will pay for it ten fold.

Now, is this the time to build this system of railways? I say, no; it will be no loss if we wait for one, two or three years until industrial conditions readjust themselves, until the money market is better and the Canadian National Railways are given a chance to balance better their budget. They are behind sixty or seventy millions at the present time, and that deficit has to be put into the tax rate of this country. That is the cause of the sales tax and income tax; that is why we are still paying war taxes to help railways and we are going to build these branch lines out of war taxes. The people have a heavy burden of debt, and if there is not some retrenchment in the public expenditure, industry and manufacturing will be driven out of Canada.

To the hon. member who spoke a moment ago I may say that there is only one city I know of in Canada that has balanced its budget, and that is the city of Toronto. Of $112,000,000 collected in Toronto only $1,000,000 went back to the city, so that the budget is balanced by the $111,000,000. That $111,000,000 would probably take care of some of the branch lines. One of the things condemned by the Drayton-Acworth report was the useless duplication and waste in connection

with railway construction in this country, the growth of railway mileage exceeding by ten to one the growth of the population. The report suggested that there should be a stay in the building of railways for many years to come.

Another question that may be asked is whether these bills are in order. Ordinarily bills are brought down and read in the House the first, second and third times. The rules provide that before a bill is introduced there must be on the reverse side of the bill a proper explanation of its purposes and the details of the proposal involved, but that is not done in this case. I think this is a matter that should be looked into .

The National Railways system has 22,000 miles of single track now; the resolution proposes to build another thousand miles. You have a merchant marine; what do they do? They are sitting in with the railways in the matter of rates; are they going to sit in with these branch lines in the same way? I suppose they will keep the charges up there as well, and no doubt the Railway Commission will not be heard from in that case either. As a friend of public ownership I am afraid that public ownership will not be given a chance if the construction of branch lines is to go on as proposed—twenty-nine millions now, twenty-five or

9 p.m. twenty-six millions next year—why, branch lines will sooner or later with their deficits act as the hangman for the National Railways. During the last three years $400,000,000 has been spent on rolling stock and equipment for the National Railways, and in view of that fact it seems to me that they should have made a better showing. I think they would have made just as good a showing if the present president of the National Railways had never been born. Furthermore, I do not know of any position in the British Empire to-day that cannot be filled by a native Briton. We have an official in Toronto a Briton, Mr. H. H. Couzens, head of the Toronto Transportation Commission, who is leaving that city to-morrow to take a position with a railway company at St. Paul at $50,000 a year. We have Canadian engineers, such as Mr. F. A. Gaby and Mr. Acres, who built the Chippewa canal. There is nothing the British born cannot accomplish in big public undertakings.

No one individual is responsible for any showing that may be made by the National Railways. The government gave the president every support, but with the large expenditure on rolling stock, the improved business conditions and the carrying out of policies inaugurated by the old board we find that the credit is not all attributable to the president of the system.

I am not saying that Nova Scotia does not need some of these branch line facilities, but I would point out that in the counties of Ontario and Durham there has been an absolute waste of public money in connection with Canadian National Railways. Between Toronto and Cobourg there are four railway lines, the old Grand Trunk, with double track, running from Toronto to Port Hope and Cobourg; the Canadian Pacific, the old Canadian Northern, and the Toronto Eastern —four railways where there is not enough business for one with a double track. Yet they are going to squander money on continuing with the old Toronto Eastern, a road that in my opinion should never have become a steam radial. That policy of the Canadian National board has been condemned by the Globe newspaper, The Port Hope Guide and other Liberal organs in the Toronto district. If this branch line programme is a sample of the recommendations of the Canadian National directors, the sooner Canada gets a brand new board of directors the better. This legislation is brought down in a haphazard manner, without proper information and without any consideration of how the construction of these branch lines will affect transportation costs throughout Canada. If this is the way we are to proceed then we shall wait in vain for reduced taxation, the statement to be announced in the budget statement of the Acting Finance Minister.

Mr. GRAHAM: I am not going to reply to my hon. friend (Mr. Church) as he has two resolutions on the order paper that he was discussing, except to say that men who, like a good many of us, have all the railways they can use, and more too, and who can reach the railway station in five minutes from their door, and by street car, should not lecture people who have not a railway within thirty or forty miles.

My right hon. friend (Mr. Meighen) questioned my statement about the Aid to Agriculture Act. I was absolutely right, and the estimate in his hand showed that I was right.

Mr. GAUVREAU: Caught him again.

Mr. GRAHAM: I am going to take the statute of 1919; that cannot be blamed on the present government. Hon. gentlemen know that when money is voted by statute it only appears in the estimates as a record, and is not voted upon in the House at all;

everybody knows that. Let me take the statute of 1919: Arts and Agriculture—Authorized by Statute, then comes a list of Ontario, Quebec, Nova Scotia, New Brunswick and all the provinces, and at the bottom under the heading of "summary" this: To be voted, $3,648,000; Authorized by statute, $1,100,000. I am going to follow that up to 1920, where the same thing appeared. To be voted, $3,903,000; Authorized by statute, $1,100,000 —absolutely as I said. I am going to go further and take 1921: To be voted, $4,502,139.50; Authorized by statute, $1,100,000. There it is every year, and I am going to point out why, for this is the act passed by my right hon. friend's government.

I will not read the preamble—yes I will, because it adds point:

Whereas it is desirable that encouragement be given to agriculture in all the provinces of Canada, and whereas great and permanent benefit will result through education, instruction and demonstration carried on along lines well devised and of a continuous nature;

Note that, "of a continuous nature":

Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as fallows:

1. This Act may be cited as the Agricultural instruction Act.

2. In this act, and in any regulations made hereunder, "Minister" means the Minister of Agriculture; "province" or "provinces" shall not extend to or include the Northwest territories or the Yukon territory.

Then comes section 3, and this is the milk in the cocoanut:

3. For the purpose of aiding and advancing the farming industry by instruction in agriculture, and for the purposes authorized by this act, the following sums, aggregating ten million dollars, shall be appropriated and paid out of the Consolidated Revenue Fund of Canada during each fiscal year for the period of ten years beginning with the year ending the thirty-first day of March, one thousand nine hundred and fourteen, namely:

During the fiscal year ending the thirty-first day of March, one thousand nine hundred and fourteen, the sum of seven hundred thousand dollars;

During the fiscal year ending the thirty-first day of March, one thousand nine hundred and fifteen, the sum of eight hundred thousand dollars;

During the fiscal year ending the thirty-first day of March, one thousand nine hundred and sixteen, the sum of nine hundred thousand dollars;

During the fiscal year ending the thirty-first day of March, one thousand nine hundred and seventeen, the sum of one million dollars;

During the fiscal year ending the thirty-first day of March, one thousand nine hundred and eighteen, the sum of one million one hundred thousand dollars;

and the like sum of one million one hundred thousand dollars during each of the succeeding fiscal years until the expiration of the fiscal year ending the thirty-first day of March, one thousand nine hundred and twenty three; provided that any portion of any of the above sums which may remain unearned or unpaid at the expiration of any of the said fiscal years previous to the last shall be carried forward and remain available according to its apportionment for the purposes of this act during any one or more of the succeeding years.

That is the statute, and the estimates were based on that statute, and were not placed in the estimates during these years for the purposes of discussion, and they were not discussed, because it was not necessary. They are there designated "authorized by statute." The other item is to be voted, and of course everything can be discussed in supply, because there is an item in the estimates for the application of the act, and under that vote everything can be discussed every year, just as it can be under the Railway Acts that I am now bringing in.

I come now to the year 1923, where the same thing occurs again. To be voted, $4,984,-500; authorized by statute, $1,100,000. That amount was not voted, but was authorized by statute.

Now I am coming to the estimate that my right hon. friend read, and I am going to refer to the House for their judgment. He read the estimate 1923-1924:

"Grant to the provinces of Canada for the purpose of assisting and encouraging agricultural instruction, grants to be made on a proportional basis." True, but the act had run out, and the money had to be voted or the farmers would not have got the money that year, it not being payable by statute any longer, and the government not having given the farmers notice voted another sum one year after the expiration of the statute. I want to point this out because although my veracity may not appear to be much to my right hon. friend, it means a great deal to me. In the estimates of 1923-1924 my right hon. friend left this little item out in the reading. Before Item 51, which I have just read, appears a star, and this is what comes after the star: "Grant to the provinces of Canada for the purposes of assisting and encouraging agricultural instruction, grants to be made on proportionate basis." Then follows the note to which the star refers, as follows: "Note: The amount shown for 1922-23 was authorized by statute."

Mr. MEIGHEN: Well, I think I can be just as frank with the House as my hon. friend. The statement that he has made, all to the effect that I had denied that these votes were authorized by statute, is beside the point. I stated distinctly they were authorized by statute. I stated distinctly, the programme contemplated by statute and provided by statute, running in each case for those years. I stated that the item appearing in the estimates was voted each year, and I did that on the authority of the only estimate I had before me, which read just as the minister has said.

Mr. GRAHAM: But you did not read the note at the bottom.

Mr. MEIGHEN: I did not note the footnote at the bottom, "authorized by statute" which would be an indication that it was not voted. But I want to draw to the attention of my hon. friend that while these amounts were not voted each year, except last year when the amount was voted, what I had before me indicated that all were voted, and I said so. While they were not voted, they appear in the estimates as stated by my hon. friend, and they appear as well at the bottom of the Agriculture estimates, so the House had before it in voting the money for Agriculture the exact amount that was passing by statute to the provinces; and there is this very great difference, the House debated it every year as well. I want to know, is the Minister of Railways going this year to bring down in the Supplementary Estimates—he could not be expected to in the Main Estimates because the bills will not be through—the amount expected to be expended this year? Will it appear there as was always the case under the Agricultural Instruction Act? I venture to say he will not and I want to draw his attention to this very marked difference: In respect of the Highways Act and the Agricultural Instruction Act the money was spent under the direct supervision of other governments responsible to other parliaments; in this case there is nothing of the kind. There is no supervision by this House at all or by any other House in Canada, once this bill passes the people have absolutely no further control. The minister asks the House now to vote the money for a period of years. In a case of that sort parliament every year ought to control and every year ought to vote the money. And under the old government in every such case parliament did. Never under the old government was there a dollar voted for the National Railways—although the money is now spent by a corporation and having been placed in their hands is no longer subject to our review—never was a dollar voted for those railways by guarantee, or by a straight loan, or by a grant, or anything else, which was not voted annually in the estimates. And this government has no excuse at all in this case for departing from that precedent. All this is done by a government that was going to restore the control of parliament that had been filched away, so it claimed, by the late administration. It is the old story "Those who talk the loudest mean the least." Those who talk the loudest, now destroy that which they so loudly professed.

[Mr. Meighen.]

Mr. GRAHAM: The apology is accepted.

Sir HENRY DRAYTON: Perhaps my hon. friend will give us some information as to how he proposes to finance this line, whether he proposes to bring votes down in the regular way and keep a thorough control of these funds?

Mr. GRAHAM: Will my hon. friend pardon me, I did not catch his question.

Sir HENRY DRAYTON: I was asking the minister, through the Chairman, how it was proposed to finance this line. I notice the work is not going to be done in one year, it is being extended over a series of years. So we shall have history repeating itself, and the real work will not be commenced until an election is due. Now, if this work is not to be done in one year, is parliament to have the usual control, is the appropriation for this work going to be included in the usual vote for all these lines?

Mr. GRAHAM: The same thing will be done as in the case of other votes by statute: There will be a full explanation given every year as to the amount of money to be expended during that year, and the amount of money expended the year previous. So that parliament will have absolute control to discuss the outlay from one end of the expenditure to the other.

Mr. MEIGHEN: May I ask the minister what he means by "control to discuss"?

Mr. GRAHAM: Mostly what I said.

Some hon. MEMBERS: Oh, oh.

Sir HENRY DRAYTON: Then, Mr. Chairman, I also want to ask my hon. friend if it is not possible to provide us with maps which we can read without difficulty. The maps supplied to us are very small; I confess I cannot read anything on the map I have. It is therefore quite impossible to properly ascertain the position of these lines. Is it not possible when we are dealing with sums running into the millions of dollars to know what we are doing? No one can tell what we are doing from this small map. The other day when these discussions started I asked for a map and I think a good map should be provided without delay. I am now going to ask my hon, friend, does he himself know at what distance from the shore this line will be constructed for the major part of its length? Nobody here knows. Then does he know, for example, the distance there will be between this line and the existing railway to the north? Can he tell us that?

Mr. MACDONALD (Pictou): They run in entirely different directions.

Sir HENRY DRAYTON: Then the map I have must be wrong, because it shows they will be parallel. That is one of the conditions we complain about; we do not know what information we are getting. The minister says the information on this map is wrong. All we can do is take this map and from it the railways seem to be running in a parallel direction. Now the minister says that is not correct, that they will not parallel each other.

Mr. MACDONALD: (Pictou): One line runs from northeast of the province proper, and the other runs to the southeast corner of the province.

Sir HENRY DRAYTON: I would invite my hon. friend to look at the map. It is a pretty small map but it shows the railways as running in a parallel direction. I will show this to the Chairman so that he can see what I say is correct. The Chairman objects; I do not know where we are going to land unless somebody will take a look at it. If my hon. friend will look at the map he will find I am correct in my statement. Perhaps the Minister of Justice will glance at the map and see whether it does not show that the two lines parallel each other.

Mr. GRAHAM: I brought over some maps but I suppose they have all disappeared. I will ask my deputy to provide some better maps before we get through these bills. I think, probably, we shall have some other maps to-morrow.

Sir HENRY DRAYTON: What is the idea of the minister? Will this vote stand until we have a map to see whether this railway is running east or west, or north or south, or where, or whether the Minister of Defence or the map is right?

Mr. MACDONALD (Pictou): This map is on too small a scale entirely. I quite agree we ought to have a much better map in the case of each one of these propositions.

Sir HENRY DRAYTON: Perhaps the Minister of Defence will go further and acknowledge that on this map the lines apparently are parallel?

Mr. MACDONALD (Pictou): I know the locality as every hon. gentleman from the province of Nova Scotia knows it and, as I say, the present line of railway skirts the northern coast of our province and finishes at Mulgrave so far as the province proper is concerned at what is practically the northeast corner of Nova Scotia. The new line of railway projected will run to the southeast corner of the province. That is the situation, and as I have already stated instead of the new line paralleling the other it will run at an angle of between thirty-five and forty-five degrees from the existing railway.

Sir HENRY DRAYTON: I am not quarreling with my hon. friend's superior knowledge of geography. I simply ask him if the railways, according to this map do not parallel each other?

Mr. MACDONALD (Pictou): The scale of this map is too small.

Sir HENRY DRAYTON: Do not the lines run parallel?

Mr. MACDONALD (Pictou): No I will not say that. What is the scale of that map?

Sir HENRY DRAYTON: I cannot find out. Perhaps the minister can tell us to what scale the map is drawn. Does not the Minister of Railways know what the scale is?

Mr. GRAHAM: I do not. I have told my hon. friend that I shall order better maps.

Sir HENRY DRAYTON: There is certain information we ought to have in connection with fish shipments. We desire to know what the business situation is. The hon. member for the county (Mr. McIsaac) has advanced a point—and I think it is a good one if it is well founded—in connection with fish shipments. I am going to ask my hon. friend if he can tell me the distance between the terminus of this line and the next point at which fish shipments are now being collected?

Mr. MACDONALD (Pictou): The one is at the head of the bay and the other is at the mouth.

Sir HENRY DRAYTON: What will be the mileage, what is the distance? Before this matter comes up again one thing that seems to be really material can be ascertained; we can find out just what the distances will be in connection with this railway. Perhaps my hon. friend will let us have that information.

Mr. MACDONALD (Pictou): Yes.

Sir HENRY DRAYTON: Then there is another thing, we ought to have information as to the number of points where fresh fish is now picked up on the coast?

Mr. MACDONALD (Pictou): It is brought by small steamers to Canso and Mulgrave.

Sir HENRY DRAYTON: Before getting to that I was asking a question as to railway points. I observe that right along from

Chester in the east to Yarmouth in the west we have a line skirting the coast pretty well. Now I take it the government has information as to what points fresh fish is loaded on that railway, which skirts the sea as it does, and how many cars are loaded at the different points. There is another thing which we should also consider in connection with this matter. There is a line of boats; in fact, there is more than one line of boats; there is a boat service which is now subsidized and which is supposed to be looking after this fish business. I think the government ought to have and to bring down information as to the amount of subsidies paid. It is quite obvious that there might be a saving by passing this bill and striking out the subsidy.

Mr. GRAHAM: I shall have a note made of the requests which my hon. friend has made and see that we get that information down. Before we ask that the bill be considered, I will try to get everything possible.

Mr. CLARK: Will the amounts to be paid under these bills and the amounts to be spent each year be put in the estimates every year?

Mr. GRAHAM: We have been discussing that for about an hour They will appear just as other amounts that are voted by statute, just as in the case of the other acts which I have cited, not for discussion, but for record.

Mr. CLARK: In the estimates?

Mr. GRAHAM: I think so. I am not sure about that until I discuss with the auditors the best methods. We are only beating around the bush. Parliament will have all the information necessary as regards the expenditure of this or any vote.

Mr. BOYS: The minister says that they will not be subject to discussion because they will be authorized by statute. What chance have we for discussion?

Mr. GRAHAM: The same chance as was the case in connection with the highways bill.

Mr. BOYS: That is a tu quoque argument. Get away from that.

Mr. GRAHAM: Last year the highways were discussed for half a day and there were no estimates at all.

Mr. MEIGHEN: The highways?

Mr. GRAHAM: The salaries were in for the officers, but the grant to highways was by statute. Yet we discussed everything in connection with the highways, under the amount of money for the railways of Canada, a portion of which goes to the salaries of the staff. Under that every act of that board came under the purview of this parliament for full discussion.

Mr. BOYS: That is not the point. The point I am raising is: Are we going to have an opportunity to discuss these appropriations in future years?

Mr. GRAHAM: Surely.

Mr. BOYS: Under what item shall we have that opportunity? The minister has said that the items will appear in the estimates, as authorized by statute, but not for discussion. If he means that, what chance shall we have for discussion?

Mr. GRAHAM: My hon. friend is taking me literally. I said that items that are authorized by statute are not discussable as regards those particular items per se, if he will allow me to use that language of his. But, as a matter of fact, under the heading of Railway Estimates, everything that the railway board does or intends to do can be fully discussed. That will include these.

Mr. BOYS: I appreciate that that will be the case in a general way, but we would have no control of the expenditure, once this goes through. That is the vital point.

Mr. MEIGHEN: I want to draw the minister's attention to this very great difference. When you vote money to be spent year after year, especially under the supervision of another parliament, you place a limit on the amount that is to be spent, so that we know every year there cannot be more than a certain amount spent. The minister never can know that under this bill and he will have no way of knowing it. I do not know how he is even to get anything in the estimates to look at. How is he going to know? No limit is set upon the expenditure. They may spend the whole amount in one year, and if the bill is like what it was last year, they can spend twice as much, because the bill last year had no fixed, definite or final limitation. The bill may be different this year, but they can spend the whole thing in one year in any case.

Mr. GRAHAM: No.

Mr. MEIGHEN: That may not be physically possible, but there is no parliamentary restraint. That is wholly different from a policy that contemplates a fixed maximum each year, especially when the matter is something that is controlled by another parliament. You could not get a more distinct case of absolutely putting out of the control of parliament what parliament

is here to do. That is what parliament is here for. I have not had time yet to look the matter up, but my recollection is—and the minister's ought to be better than mine, because he was in the House earlier—that in the case of his own Transcontinental and Grand Trunk Pacific, though the construction was contemplated in the first place over a long term of years, the money was voted every year. I ask the minister if I am not right. What in the world is there to hinder building a little branch line here or a branch line there in the same way, when they built a railway the whole way across Canada, and through northern Canada at that? Was the money not voted every year for those two railways?

Mr. GRAHAM: There are two very distinct differences, one being that the Transcontinental was constructed under a statute making it a continuous work. It was authorized by a statute in 1903, if I remember correctly.

Mr. MEIGHEN: I am quite prepared that that be done now. Let the minister come down each year for his money as he did in the Transcontinental case.

Mr. GRAHAM: Will my right hon. friend allow me to continue? In a work like the Transcontinental, when the labour was largely brought in for the purpose and continued in operation, not interfering at all or being interfered with as labour is at the present time by farming operations, conditions were altogether different from what they are at present. Under present conditions, as I have been told time and again by some of our agricultural friends, the moment farming operations begin, a good deal of the labour leaves the railway and goes to the farm. That was not the case at all with the Transcontinental. The work was continuous year by year, a great work, with men brought in for that distinct purpose. I do not think it is a proper comparison to place, side by side, a large number of short lines, with small contractors dodging from one to another, with a great work 1,800 miles long that had to be continuous and with plenty of labour that could be had at all times on the line.

Mr. MEIGHEN: I only rise to say that for the life of me I do not see the point.

Mr. GRAHAM: I am sorry.

Mr. MEIGHEN: I suppose the government, in introducing the bills for the Transcontinental and the Grank Trunk Pacific, decided that they would have to vote the money each year in the Estimates, and the reason they did that was because the labouring men would not be available for farming in the summer, presumably on account of the railway being so far to the north. I cannot express the point very well, because there is not a clear point to express.

Mr. GRAHAM: I appreciate that.

Mr. MEIGHEN: I appreciate it too, and to be honest about the matter, the whole committee does. There is no point in what the minister says. What is the use of telling this committee that he has to have a bill for fear the railway men will leave the road to go on the farm? I do not object to his bill. I did not do so last year. All we asked the minister was to subjoin a clause providing that the money should be voted each year in the estimates just as it has been done for all railway construction work, and as it has been invariably done in connection with the Canadian National Railways. The government is on the wrong track in the matter, and it would have been far better to get right when it had the opportunity.

Resolution reported, read the second time and concurred in. Mr. Graham thereupon moved for leave to introduce Bill No. 32, respecting the construction of a Canadian National railway line between Sunnybrae and Guysborough in the province of Nova Scotia.

Motion agreed to and bill read the first time.

DUCKS-ARMSTRONG

Hon. GEORGE P. GRAHAM (Minister of Railways) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide for the construction of a Canadian National Railway line from near Duck's, a point about 12.5 miles east of Kamloops, to Armstrong, and from Vernon to Kelowna, with a branch from near Vernon to Lumby, in the province of British Columbia; mileage already graded, 101 miles; estimated mileage including existing grading, 105 miles; estimated cost $2,236,000.

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

Mr. GRAHAM: Before I read the memorandum in reference to this resolution I might explain that this is one of the lines in connection with which about $5,000,000 has been expended in grading. The following is the memorandum:

Kelowna and Lumby Branches—	Cost
Grade now ahead of track-101 miles—	
Proposed in 1924—4 miles grade; 57 miles track and ballast..	$1,246,000
Proposed in 1925—48 miles track and ballast..	990,000
	$2,236,000

The Kelowna branch constitutes a line from Kamloops Jct. passing through Kamloops and running through Armstrong and Vernon down to Kelowna, a distance of 117.5 miles, with another branch from Vernon through to Lumby a distance of 15 miles. That part of the line from Kamloops Junction to Kamloops, a distance of about 3 miles, is in operation and is used by the main transcontinental trains for connection to the town of Kamloops. Rather than duplicate the C.P.R. line it was contemplated to obtain running rights over the main line of the C.P.R. from between Kamloops and Ducks, a distance of about 12.5 miles, and also running rights from them between Armstrong and Vernon over their Okanagan branch, about the same distance, and this then left about 104.5 to construct.

In 1919 a contract was let for the grading of this line and grading was completed by the end of the season 1920, with the exception of a few small gaps amounting to about 4 miles. Practically all the ties required for the line have been produced locally and are now located at various points on the line.

It is proposed in 1924 to finish these gaps in the grade, lay the track and complete the line into Armstrong, and also to arrange for running rights referred to, with the C.P.R. In 1925, the line will be completed to Kelowna, and the branch to Lumby finished.

From Campbell Creek to the beginning of Grande Prairie, about Mile 35, the line runs through a broken hilly country with considerable scattered timber and grazing land, on which some cattle ranging is now done, and as this part of the line gets up to an elevation of 2,275 feet, it is not suitable for much actual farming, and will be confined to grazing and hay raising to feed stock.

The Grande Prairie valley is a flat bottom about ½ mile wide and probably ten miles long, which is fairly well developed at the present time, but when further developed should be capable of giving a fair amount of business resulting from mixed farming. At Falklands, near the foot of this valley, there is a very large and good deposit of gypsum which, if a market could be found for it, should eventually give considerable traffic.

After the end of Grande Prairie, into Armstrong, the line goes through a broken hilly country, which is only suitable for ranching and has little development on it at present.

In the district of Armstrong, which produces largely hay, oats, celery and garden products, and fruit, considerable traffic would be expected.

Vernon is the centre of a considerable area of fruit growing land (mainly apples) and the valley of Long Lake, and the valley up toward Lumby are at present tributary to Vernon.

From Vernon to Kelowna the line follows a valley parallel to and about four miles distant from Okanagan lake. From about 13 or 14 miles from Vernon, at the head of Long lake, through to Kelowna, this valley is quite extensively developed in orchards, and is susceptible of considerable more development as further water for irrigation is procured and put on the land. Our line runs down the centre of this development and would shorten the wagon haul for the producer in this district.

The first eight miles of the Lumby branch goes through a highly developed orchard district, and at this point reaches the limit of fruit growing. From there on to Lumby there is considerable development by way of mixed farming and cattle ranging, besides some development further in from there.

The business from their line will be mostly to the Pacific coast, or the prairies, so will give the main line considerable traffic, mostly of a long haul character.

There has already been expended about $5,364,000 on these branches on the right of way, grading and

[Mr. Graham.]

fencing, which are nearly completed. It is estimated it will require $2,236,000 to complete them. It is computed that although the business from these lines will not clear sufficient to pay all the fixed charges when the amount now spent is included, it will nearly do so, which means it will give a very good return on the money now asked for to complete the line.

Note:—

Kelowna.—Assumes that running rights over C.P.R. will be used between Kamloops and Campbell Creek, and also Armstrong to Vernon, total of 24 miles.

Lumby.—Lumby must have track laid in order to reach ties for Kelowna piece.

Sir HENRY DRAYTON: We are glad to have more adequate particulars in reference to this resolution than we have received so far.

Some hon. MEMBERS: Oh, oh.

Sir HENRY DRAYTON: I do not know what the laughter is about unless hon. gentlemen think that it is impossible to take seriously anything the minister says. I still think that the particulars he has just given are more ample than he has given so far in other cases. Will hon. gentlemen dispute that fact? If not, why the laughter? It is a good thing to have these particulars and the House is entitled to them. But they are far less necessary in the case of a line which manifestly must be gone on with and which should have been gone on with last year. We have 101 miles now graded ahead of track and 4 miles of grade proposed for 1924.

Mr. JACOBS: One reason would be, that this is in British Columbia.

Mr. MEIGHEN: We took our stand on roads that ran through counties represented by members of the other group in this House.

Mr. JACOBS: We are talking about provinces.

Mr. MEIGHEN: We are represented here by counties. The hon. gentleman has not much to say for himself, even in his seat. This line is mostly built. It has had millions spent on it for some time now. I am acquainted with the whole district. I have been through it, and know the traffic in it, but that is no reason for saying we should not have the fullest information. It seems strange that, in respect of lines where the most of the money has been spent and most of the work done, we get more information than we receive about other new ventures, something that has never happened in parliament before.

Mr. MARLER: I do not see the slightest justification for this line in comparison with the other. My right hon. friend says that because the line is being graded—and the minister agrees with him—and several million

dollars of money have been put into this graded line, that we should immediately put further money into that line and make it a profitless railway. Did my hon. friend listen to the report which was read by the Minister of Railways and Canals? Did he see any great hope in that report of that line ever paying? Did he hear the report about the hilly country it ran through? When the Guysborough line was discussed the question came up in regard to boat service. This is for the fruit service. There is a boat service from Penticton at one end, where there is an outlet, and then there is a branch line running from Sicamous to Vernon at the other end. There are boats running all the time, and there is no justification for putting money into this line. There is just as good boat service in that district as there is in Nova Scotia. I may say there is very little to recommend the Nova Scotia line at least.

Mr. MEIGHEN: Has the hon. member the least idea of the population along the line?

Mr. MARLER: I do not think that enters into consideration.

Mr. MEIGHEN: What are railways for?

Mr. MARLER: Why this great anxiety about this particular line? Why should there not be criticism with regard to this particular line? We have been hearing criticism about other lines.

Sir HENRY DRAYTON: None about Huberdeau.

Mr. MARLER: Pardon me, I criticized it myself to-day.

Mr. MEIGHEN: The hon. gentleman did, but we did not.

Mr. MARLER: I am very much surprised that they did not, because it was very unnecessary also.

Mr. MEIGHEN: We treat these lines on their merits.

Mr. MARLER: My hon. friend is mistaken about the Huberdeau line and about this line. There is service on that lake every day in the year from one end of the year to the other.

Mr. CLARK: Every day of the year?

Mr. MARLER: So I am informed.

Mr. CLARK: Did the hon. gentleman criticize the Guysborough line to-day?

Mr. MARLER: No. I would like to criticize it very much now but I thought there was enough criticism coming from the other side of the House, and I thought I would let my hon. friends do my work. In this particular case they are not criticizing this line, but I am criticizing it, and I say there is no justification for it at all.

Mr. JACOBS: Does this line parallel the Canadian Pacific railway?

Mr. MARLER: No, it does not parallel the Canadian Pacific. The Canadian Pacific serves this district sufficiently. I am glad the hon. member for George Etienne Cartier reminded me of that point. It brings out the very point the right hon. leader of the opposition (Mr. Meighen) expressed several times in this debate, I commend him for it. He stated time and again that where the Canadian Pacific Railway served a certain district there was no necessity to construct other lines. The Canadian Pacific Railway serves this district at one end of the lake and by a spur line it is served at the other end of the lake. There is a boat service at the other end of the lake, and during the fruit season the service is carried on and they have an admirable outlet. There is no justification for this line more than there is for the Guysborough line.

Mr. McBRIDE: I do not think the hon. member for St. Lawrence-St. George (Mr. Marler) knows the circumstances out in British Columbia quite as well as he would like to represent to this House or would make this House believe he does. In the first place, he says there is service on that lake every day in the year. There is nothing of the kind. I have known that lake to be frozen up.

Mr. MARLER: Will the hon. gentleman forgive me for interrupting? I think he is quite right in that respect. I should have stated there was a service on the lake at the necessary times in the year. I am obliged for the correction in that respect.

Mr. McBRIDE: Not at all. There is a number of cold storage buildings in that valley and the fruit requires to be moved out at all seasons of the year. And not only that, this line does not parallel the Canadian Pacific railway. It branches off the main line seventy-two miles west of Sicamous, where the Canadian Pacific branch starts. It runs through a splendid valley. The Grand Prairie is a much larger valley than some people imagine. I know that country well, and it runs down through the Okanagan district. The Canadian Pacific runs to Vernon, but this line runs down to Kelowna, much further than the Canadian Pacific railway.

Mr. ROSS (Kingston): How far is it from Kelowna to the station on the Crownest or the Kettle valley?

Mr. McBRIDE: It must be quite a distance. I do not know that line. It is not in the same district at all. There is a gypsum deposit on this line at Grand Prairie and the mill is built to manufacture this gypsum. That mill has been there for years, and will itself contribute a large amount of traffic to this line. I think I am safe in saying that there are at the present time about five cars of gypsum per day coming into Vancouver. That mostly comes from Winnipeg. If this line were built, that traffic would all be diverted to Grand Prairie as the freight would be much less. As has already been said, about $5,500,000 has been spent on the line. The right of way is there and the ties are there: They are deteriorating as the years go by and I would be safe in saying that it would be one of the best paying branches of the Canadian National Railways west of the Rocky mountains. Last year there were over 6,000 cars of apples taken out of the Okanagan, besides other farm produce. If this line is built the Canadian National will have half of that, in fact they will have more than half of this freight, and the only men I have ever heard criticise this extension are gentlemen who are either employed by or working for the Canadian Pacific Railway—

Mr. MARLER: Is the hon. gentleman making any innuendo or slight suggestion in that respect? Let him speak out if he is.

Mr. McBRIDE: The hon. gentleman from St. Lawrence-St. George does not need to take it to himself if it does not fit him.

Mr. MacKELVIE: It is not necessary for me to say very much more than the hon. member for Cariboo (Mr. McBride) has stated to the committee. I have spoken on several occasions regarding the necessity of this branch. Two or three weeks ago I dwelt on it to some extent in my remarks on the Speech from the Throne. My. hon. friend from St. Lawrence-St. George takes exception to this statement and shows a very incomplete knowledge of the situation in that country. He bases his principal objection on the fact that on the Okanagan lake the Canadian Pacific runs a boat which provides transportation facilities for the fruit growers of that district. He does not take into consideration the contour of that country. He does not understand that between Vernon and Kelowna, a distance of thirty-five miles, there is a section which produces perhaps 60 per cent of the apples grown in that section. The fruit growers are subjected to a yearly charge of between $300,000 and $400,000 in truckage and drayage for the hauling of their fruit to points either on the lake or at the railway at Vernon. It was estimated in a board of trade brief which was prepared on this subject a few years ago that the total loss to the farmers of the district traversed by this line in hauling charges was not less than $500,000 a year. This is a thickly populated district. It is a country of small farms, the average fruit farm consisting of ten or twenty acres. It takes upwards of fifty acres of prairie land to produce a car of grain, but this country will fill a car with produce from the orchards or with vegetables from an area of less than two acres, so that a very large traffic is to be expected from this district. Many of these orchards have not yet reached anything like maturity and in a few years their production will be doubled. Out of that valley last year went over 10,000 cars of freight; I do not know what the incoming freight represented. But a very large revenue indeed may be expected for the national lines when this great feeder is built.

Mr. MARLER: If this would be obviously such a paying line why was it not built in there long before this?

Mr. MacKELVIE: That is a question the hon. member will have to ask the government. The line has been graded for several years and undoubtedly would have been completed had not the war intervened. It was always regarded by the Canadian National authorities as a paying proposition. I venture to say that Sir Henry Thornton is as anxious as any member of this House to see it completed, and completed at an early day so that the Canadian National may, if possible, get a share of the outgoing traffic this year. The report read by the minister mentions the hilly nature of the country, but that refers only to a very small portion of it, lying between Ducks and Grand Prairie. The Grand Prairie district is a country where mixed farming has been carried on successfully for many years, and once transportation facilities are afforded it will double or treble its output. The gypsum deposit referred to by the hon. member for Cariboo (Mr. McBride) is acknowledged to be the largest and purest deposit of the kind on the continent. It is in the possession to-day of a Winnipeg company who are only too

anxious to exploit it if they are given the necessary transportation facilities. The hon. member for South Oxford (Mr. Sutherland) startled the House the other night by stating the tonnage obtained from a single acre in his constituency. Of course when the hon. gentleman mentioned that it came from limestone it cleared up some doubts that might have existed in the minds of hon. members. From these gypsum deposits alone I have no doubt that an output equal to the figure my hon. friend mentioned may be expected within a brief period once the railway goes in there. From Vernon south to Kelowna this line traverses the very cream of the fruit growing district of British Columbia. New orchards are being planted every day. The orchard owners of that country have been subjected to a series of bad years and they have not been able to dispose profitably of their fruit. This year also I am afraid they will suffer very heavy loss, and anything that will help them in the way of giving them better facilities is surely something to which this House should give serious consideration. The district running east of Vernon which is tapped by this spur of fifteen miles, runs through a section which contains the famous Coldstream ranch, where there is one of the best orchards in Canada. Further on it reaches the town of Lumby, which is situated in perhaps the best dairying and mixed farming section of that part of country. Back of Lumby lies a tremendous area of timber land and a great traffic is now being worked up there in ties and telephone poles. The line from Lumby to Vernon will be kept busy for a large portion of the year transporting wood products alone. I have had prepared and presented to me an estimate by the board of trade of that country in which the belief is expressed that once the line is completed, traffic amounting to a million dollars will flow over it the first year. This line can certainly be regarded as one which is capable of financial development. I sincerely believe that in the course of a very few years it will be found to be one of the best feeders of traffic for the Canadian National and that it will pay for itself handsomely.

10 p.m.

Mr. CLARK: How far is Lumby from the lake and from the nearest railway station?

Mr. MacKELVIE: Lumby is fifteen miles from the nearest railway station and it is four miles further to the lake.

Mr. MARLER: It is the same old story—discussing these estimated costs about projected lines. As soon as a line is proposed for Nova Scotia those from that province say it is essential. Perhaps it is and perhaps it is not. It is the same thing when we come to British Columbia. The line is said to be essential. Perhaps it is and perhaps it is not.

Mr. POWER: Who should know whether or not it is essential, the people from the province concerned, or somebody else?

Mr. MARLER: We should know whether it is wise or whether it is not wise to spend this money, and with the information that is before us it is utterly impossible to determine whether it is wise or not. That is the whole question.

Mr. POWER: The hon. gentleman seems to have some objection to the people from the provinces concerned stating that the roads are essential. He claims that they are not essential and he states himself that he does not know whether they are or not.

Mr. MARLER: Certainly I do. I know very little about these roads. I think the information should be put before this House so that hon. members can determine, on the information of competent engineers, whether the proposed lines are necessary or not.

Mr. CASGRAIN: Does the hon. member say that the engineers of the Canadian National are not competent?

Mr. MARLER: The engineers of the Canadian National Railways do not appear before this House, nor does Sir Henry Thornton—no one appears before this House. We have nothing but the shortest possible reports on these subjects, and we sit down here and vote millions of which we are trustees, nothing more nor less.

Mr. POWER: The right hon. leader of the opposition, a friend of my hon. friend from Montreal, states that he is quite satisfied with the information brought down in this particular case.

Mr. MEIGHEN: No, I did not say that.

Mr. MARLER: It is not material to me whether the leader of the opposition is satisfied or not. The fact that he is satisfied is no indication that I am satisfied.

Mr. JACOBS: It is a good Conservative county through which this line passes.

Mr. MARLER: If hon. gentlemen will not treat this matter seriously, I assure them that the country will treat it seriously. Hon. members will be held accountable for voting in this committee or in the House later on for expenditures of this kind without having before them the necessary information. It is not a question of dealing with any particular province or any particular part of the country; every one of these lines has to be considered on its merits. I am not saying that this line in British Columbia is not a proper line or that the line in Guysborough is not a proper one, but I do say that we have not the information before us to judge properly of this thing. The matter should be put before us in a more intelligent way. We should have maps before us; we should have the engineers before us and the board of management. The board of management have made mistakes in the past; we know of the mistakes they have made, and we want to judge for ourselves whether or not they are making a mistake now. I am not pointing particularly to this British Columbia line or to any other line, but I say we are proceeding in a very light hearted manner in voting millions in this House the way we are doing now.

Mr. MEIGHEN: I sympathize almost entirely with what the hon. member says. I have never expressed any satisfaction with the data brought down, but I have said that it is a lot more ample in this case than in cases where it was needed much more.

Mr. POWER: Even the smallest amount of praise from the right hon. gentleman immediately sends us into the heaven of expectation. We are so pleased with that little amount that we think he is praising us extremely.

Mr. MEIGHEN: I cannot really define the satisfaction I take from exalting my hon. friend even into the first heaven. Certainly the data laid before the House should be such as prima facie would show that this will be a paying line and will serve a large section of the population struggling now to be served. In this case I happen to know the district. In this case I have peculiar information. I do not assume I know it nearly as well as the hon. member behind me (Mr. MacKelvie) or the hon. member for Cariboo (Mr. McBride), but I know it fairly well and have known it for some years. From what general knowledge I have of it, it would appear to me to be a line that would certainly pay the railway, and a line undoubtedly the lack of which is causing very great suffering and hardship. But I am in full accord with what the hon. member for St. Lawrence-St. George has said: We ought to have a prima facie case on the authority of the president in this as in every other case, for hon. members who are not so well acquainted with the different territories through which these lines are to run, in order that all may give their votes in an intelligent and conscientious way. But we must be reasonable; we cannot have Sir Henry Thornton or his engineers before this House. There will come a time later on, after the bills are brought down, when the suggestions of the hon. member in that regard will be more appropriate than at this time. I do not think we ought to find fault with any of the bills in that regard, nor have I done so; but I do demand, in this case as in every other, on behalf of other hon. members as well as on behalf of myself that we should have the certificate of Sir Henry Thornton that it is his judgment that the road should be built, and not only his certificate, but the basic facts beneath the certificate to enable us to form an independent judgment of our own.

Mr. MARLER: Do I understand that my hon. friend is satisfied with a written certificate?

Mr. MEIGHEN: No, I want the basic facts beneath the certificate, the business facts to enable us to form an independent judgment of our own. I do not think we ought to take the judgment of anybody; I do not see how we can. If we are ready to take it, what are we here for? We might just as well let the president and board of directors do what they wish. We have to form an independent judgment of our own, and I am wholly in accord with what the hon. member says, that we should have the facts before us to enable us to do so. But I do not think we can have them before us in great detail and subject them to cross-examination in Committee of the Whole. A time later on may come for that, but we should have in outline such facts as, if proven correct on examination, would warrant the road being finished.

Mr. HUMPHREY: I would like to endorse thoroughly the remarks made by the hon. member for Cariboo and the hon. member for Yale. I am fully conversant with the characteristics of the part of the country through which this branch line will run, and although this particular branch line does not touch my own district, I know the conditions there very well, and I can give full support to the hon. member for Cariboo and

the hon. member for Yale in endorsing this proposed line.

There is one feature, however, that has not been brought out by the two previous speakers. This branch line, which I believe to be a sound business proposition, has been in the minds of the people of this district, which includes a considerable area, for many years. With the completion of this line to the point named, Lumby, transportation will be provided for a class of settlers who have been in there for a good many years, and a class that has not been mentioned by the two previous speakers from British Columbia. This line will provide transportation facilities for the settlers who have gone into what is called the Fire Valley district. In the last five years the province of British Columbia has built a highway or wagon road from a point called Edgewood, on the Arrow lakes, to Vernon in the Okanagan district. The settlers in the Fire Valley district went there a good many years ago, and the characteristics of the country are such that they have had no means of transportation. They have not had a wagon road in or out; they have had only a trail for many years. This particular district that I speak of is a strip of country something like a valley, seventy miles long, settled from one end to the other. Many mining properties have been developed there, but their further development is waiting upon transportation facilities. The only transportation they have had in the last ten or twenty years has been a boat service on the Arrow lakes. That service has filled certain requirements, but it has only touched one point, Edgewood. In the past few years the government have taken it upon themselves to complete a wagon road from Edgewood through this valley into the Okanagan district, and that road will be completed this year. That wagon road has been their only means of transportation in and out. With the completion of this branch line to Lumby and the completion of this wagon road which the British Columbia government is building, there will be a connecting link giving access to the settlers, and providing the transportation facilities that are necessary for the mining properties to develop. The development in this particular district will have an influence on the future development of the province, and the building of this line will in every way fulfil a longfelt want. In my own humble opinion it will only be a very short time before this branch line will be a revenue producer and be paying for itself.

Mr. FORKE: Mr. Chairman, I rise only for the purpose of taking exception to the statement made by the hon. member for St. Lawrence-St. George, that we are voting these millions of dollars light-heartedly.

Mr. MARLER: I think we are.

Mr. FORKE: The hon. member is entitled to his opinion. I am not finding any fault with him, but he seems to object to my repeating his words. I am protesting against his statement that we are voting this money light-heartedly, and I think I have a perfect right to make that protest.

Mr. MARLER: Certainly.

Mr. FORKE: I can assure the hon. member that none of the members in this part of the House is doing so. It is very difficult for a member not familiar with the local circumstances to form an accurate judgment as to the value of any particular road that is proposed. I quite agree with the hon. member who said that we can only listen to those who are familiar with these different districts. I have listened very carefully to the criticisms that have been made by different members, and to the arguments that have been advanced by those supporting these railways, also to the statements of the minister, and had I thought that I could add anything to the discussion I certainly would not have kept quiet. I am trying, as I suppose every hon. member is doing, to form just as accurate a judgment as I possibly can as to these proposed lines, whether they should be built or not, but I cannot help but think in listening to some of the criticisms that they are not always put forward for the purpose of eliciting the facts. Sometimes they seem to have other motives behind them. Perhaps I have no right to make any statement of that kind, but it struck me that that might sometimes be the case.

A lot of money is proposed to be spent upon these branch lines, and it is a serious matter. The country is in a very critical position financially, and I do not want to see one dollar spent any more than does the hon. member for St. Lawrence-St. George, unless it can be shown to be in the best interests of this country. I do not think it is any use anyone getting up and repeating that phrase time and again. We had the hon. member for North Toronto (Mr. Church) making an eloquent speech to-night about the necessity for saving money, and then immediately afterwards he began to justify spending millions and millions in Toronto. Those millions may be perfectly legitimately spent in Toronto but it is no use for the defenders of that expenditure to criticize others who advocate spending money in some other locality. I have nothing

further to add. I do not intend to take part in the discussion unless I can contribute something of value. I simply rose for the purpose of saying that we are quite serious in advocating that no money should be expended unless that expenditure is absolutely needed.

Mr. MARLER: Just one word. I wish to make my position abundantly clear to this committee, particularly to the hon. member for Cariboo (Mr. McBride). It is not a question as to whether a line is being built in Nova Scotia, or in New Brunswick or in Quebec, or any other province whatsoever. I was not directing criticism to lines in British Columbia any more than I am directing criticism to lines in any other province. I stated on Tuesday that where a line is essential and vital then, and only then, should we spend money, and to that extent I am prepared to give my support. That I repeat again in the House to-night. My right hon. friend, the leader of the opposition, has told us that he knew this country and no doubt the member for Yale (Mr. MacKelvie) knows this country; the other members from British Columbia are equally well informed. I do not doubt that for a single moment. But I have not favoured lines in Quebec, I think those lines are certainly not necessary in so far as my own personal knowledge goes, but what I say, what I urge upon the government, is that when the time arrives—if the time does arrive—that we should have first-hand information from the necessary engineers and the necessary officers of the Canadian National railways; that we shall meet these gentlemen face to face, question them on the subject, find out for ourselves at first hand the necessity for these lines, whether they are to serve the population, and whether or not they should be built. That is the information I am going to urge, when the proper time comes, should be submitted in some manner or form before these bills go through.

Mr. MALCOLM: I have to disagree with the hon. member for St. Lawrence-St. George. He is not basing the construction of this line upon a business basis. He seems to argue that the only line that should be built is one that is essential and vital, and he assumes that because the Okanagan valley is somewhat served by the Canadian Pacific railway the territory should be left entirely to that system.

Mr. MARLER: Not at all, I made no such statement. My hon. friend is misquoting me entirely.

Mr. MALCOLM: If I err at all it is in misinterpreting my hon. friend.

[Mr. Forke.]

Mr. MARLER: Do not misinterpret me then.

Mr. MALCOLM: As custodians of the National system we have a perfect right to spend money from a business point of view to build branches that will serve as feeders to the National system. As an Ontario man who has some knowledge, by having travelled through that portion of British Columbia, of the possibilities of the Okanagan valley, I am neither strongly for this enterprise nor prejudiced against it. I treat it purely as a business proposition. This territory, as I know and as has been so well said by the members for the district, is considerably west of the line of rail and water served by the Canadian Pacific Railway. The proposed line will furnish transportation facilities to the more easterly portion of the Okanagan territory, and from a purely business standpoint I believe the National Railway system is perfectly wise in constructing this branch. It will not only serve the agricultural and fruit growing interests but will open up a promising mineral country besides. It is absolutely a good business proposition. Having said this, however, I must express my disappointment that a resolution has not been introduced providing for what would be one of the best lines from a business point of view, that could be constructed in the Dominion. That is a line from Grande Prairie to the National railway at Brule, which will open up a fine coal area and serve to promote settlement in the Peace river valley. I am not at all opposed to building such lines as business propositions. I do not think that as custodians of the National Railway system we should confine ourselves to lines that are absolutely essential. I think we could assist the management of the National lines in providing feeders which will furnish business to the main system.

Mr. GRAHAM: I should like to take up a minute or two in replying to some things that have been said. The government has been criticized to-day for not giving greater or more detailed information. I will make the assertion that there never was any more information given the House concerning the construction of branch lines than has been given to-day. There never was previously, so far as I can ascertain, a statement signed by the head of the Canadian National Railway system placed on the Table. But I want to go further. There is nothing to hide. We want to give parliament every information possible. Now the reason there is more detailed information available in the case of this line is that people have been all through

the country and know all about its possibilities. Talk about estimating traffic on projected lines! Why it can only be a sort of educated guess, and perhaps not very much of a guess at that. In such a matter no one can guess with any certainty. One hon. gentleman spoke of the information given to the shareholders of a private company, like the shareholders of the Canadian Pacific Railway, in regard to branch line projects, and said it was far more detailed than any information that has been disclosed here. Very well, I will read the information the Canadian Pacific Railway shareholders receive. I have the report here. I am not criticizing it at all, but I am pointing out that we as shareholders of the Canadian National Railway system are far more critical than the shareholders of private companies because the latter trust their directors. Here is a quotation from the annual report of the Canadian Pacific Railway Company for the fiscal year ended December 31, 1923:

10. During the past year a moderate programme of branch line construction in the western provinces was proceeded with, 231 miles of line being graded and 347 miles of track laid on lines the construction of which you had previously authorized. Your directors are of the opinion that some further extensions should be built during the present year in order to supply much needed railway facilities to farmers in the provinces of Alberta and Saskatchewan. All the branches have been carefully located in good territory and should develop considerable additional traffic. Your authority will be asked for proceeding with the construction of the following lines and for the issue and sale of a sufficient amount of consolidated debenture stock to meet the expenditure, namely:—

Then the report goes on to enumerate 249 miles of proposed railway construction. I have given more information as to each one of these branch lines than is to be found in the report of this private company concerning these projected 249 miles.

Mr. MILLAR: I do not want to discuss the construction of branch lines in districts that I do not know anything about. But when we come to discuss resolution No. 14 I shall be prepared to do so because it proposes to construct a branch line in the constituency which I represent. But so much has been said as to what these branch lines should earn that I feel justified in quoting a paragraph from a report on The Wheat Situation, by Henry C. Wallace, Secretary of Agriculture in the United States. I think the quotation has a direct bearing on the matters we are now discussing. The extract in question reads as follows:

It is recognized that some railroads depend largely upon wheat for revenue. It seems evident, however, that in the long run such roads may profit by carrying wheat in a period of depression at little or no profit in order that agriculture may be maintained as a source of revenue in periods of prosperity. Low freight rates have aided in the settlement and development of a large part of the wheat growing regions. Low rates may be as necessary to maintain this development through periods of depression as they were to secure the settlement and development.

Sir HENRY DRAYTON: In answer to my hon. friend the minister I hope he is not going to take it for granted that because he has not already constructed lines in every instance he should not give proper information. I submit to him that you can learn just as much when you are running survey lines through a particular section of country as you can from the trackmen placed on dump. Traffic returns are not got from railway dumps. The real reason why we have full particulars in the present instance is that the matter seems to have been properly canvassed. There is one thing for which I would commend my hon. friend in this particular report. He has a plain statement of the management that, as regards the new money that is to be put into this venture, it will be a profitable investment.

Resolution reported, read the second time and concurred in. Mr. Graham thereupon moved for leave to introduce Bill No. 33, respecting the construction of Canadian National Railway lines, Kamloops-Kelowna division, province of British Columbia.

Motion agreed to and bill read the first time.

COWICHAN BAY-VANCOUVER ISLAND

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to bring in a measure to provide for the construction of a Canadian National Railway line from a point at mile 58.3 near Deerholme on the Vancouver island main line of the Canadian Northern Pacific railway, in a generally easterly direction to Cowichan bay, in the province of British Columbia; estimated mileage includng existing gradng 8 miles; estimated cost, $358,000.

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

Mr. GRAHAM: The memorandum which I have in regard to this branch line reads:

Cowichan bay, Mile 0-8—	Cost
Proposed in 1924—8 miles grade..	$230,000
Proposed in 1925—8 miles track..	128,000
	$358,000

In 1924 it is the intention to do the grading and bridging on the 8 miles at a cost of $230,000, and in 1925 to lay the track on it and complete it at a cost for that year of $128,000.

The purpose of this line is to make a short routing to tide-water for timber and its products from Van-

couver island line. This would shorten the route 52 miles as against the haul to tidewater at Victoria. Besides shortening the route it would make a possible location for dumping of logs at tidewater, as there is not suitable location at Victoria for this purpose.

The construction of this line will make possible the hauling of logs off the Vancouver island line, which at present has a length which is prohibitive.

There are a large number of timber owners who stand ready to go into a big development of timber and its products as soon as this line is completed.

Sir HENRY DRAYTON: This is a matter about which I do not know very much, and I am going to ask my hon. friend to give us a few more particulars. I take it from what he has just said that he is going to build a logging railway.

Mr. GRAHAM: It is from an existing railway to tidewater.

Sir HENRY DRAYTON: From the explanation, there is no other object. Is that right?

Mr. GRAHAM: I would like to get what my hon. friend means in distinguishing a logging railway from another.

Sir HENRY DRAYTON: These logging railways are put in by the different logging concerns interested in the matter and they are not put in by the system. I have a distinct knowledge of logging railways. I have had to do some work in connection with them in British Columbia. Will my hon. friend look into this and let us have the information? If there is nothing more to be said of the matter than what he has read, it would appear that this is merely a logging railway and the country should not be put to that expense. How many miles of line are already constructed in connection with this bit of railway?

Mr. GRAHAM: About fifty-eight, I think.

Sir HENRY DRAYTON: Is this the line on which we now have the motor car service?

Mr. GRAHAM: I have not that information.

Sir HENRY DRAYTON: I do not know how the situation stands now, but we used to have only a motor car service on one of these lines, at any rate. There was not enough business to run a train. Does the minister know anything about that?

Mr. GRAHAM: The object of this bill is to get connection between the line and tidewater. I will try to get some more information, but it seems to me that there would be a great development of the timber-carrying trade. To haul the timber to Victoria to get to tidewater, as the memorandum states, the mileage is altogether too great; but if this short branch of eight miles were constructed, it would enable the timber to be carried on this railway and it would induce a development in that trade to get to tidewater by a very few miles' hauling.

Sir HENRY DRAYTON: What lumber is carried now on the railway? All of the lumber is not fifty-eight miles from tidewater.

Mr. CAHILL: How can lumber be carried on a railroad that is not built?

Sir HENRY DRAYTON: I was not referring to the extension; I was referring to the existing fifty-eight miles of track, as the hon. member knows. I am asking again what lumber is carried on that existing fifty-eight miles of track?

Mr. GRAHAM: Just this explanation which my hon. friend did not get. I would imagine the haulage to Victoria was very great. The memorandum reads:

> The construction of this line will make possible the hauling of logs off the Vancouver island line, which at present has a length which is prohibitive.

Sir HENRY DRAYTON: Is all the lumber at the far end of the line?

Mr. GRAHAM: I could not say that.

Sir HENRY DRAYTON: Perhaps the minister, when he comes back, will be kind enough to have a little information as to this line of fifty-eight miles, what the service is, whether the truth is, as my recollection goes, that you have only a motor car service on it, or whether a good deal of business is done, because we have no information now.

Mr. McBRIDE: I might say from what I know of the timber on Vancouver island that I would not be at all surprised, if this line were built, if enough revenue were received from it to pay for the building of it in the first twelve months after it is completed.

Sir HENRY DRAYTON: Is this a logging line, or what?

Mr. McBRIDE: It is not only a timber country but there is a large agricultural district behind it as well.

Mr. DICKIE: I am thoroughly familiar with all the conditions relating to this particular line and I can inform the committee that it is one that is entirely justifiable. There is no motor service in this locality; what the hon. member (Sir Henry Drayton) is referring to is another line going into Sidney. Logs are already hauled on the line in question, 55 miles into Victoria and the railway is losing money on every carload of logs it carries. In the first place the line was badly conceived. The project was undertaken at the time that

Mackenzie and Mann came to the British Columbia government for assistance for the line from Yellow Head pass to Vancouver. The people of Vancouver island and particularly of Victoria thought that if money was to be granted to these people some consideration should be shown Vancouver island, and the government of Sir Richard McBride, behind whom were all the people of the island, said to Mackenzie and Mann that they would have to build the island section or the government would not guarantee the bonds of the mainland section. Sir William Mackenzie however objected strongly but finally he gave way and this line was projected from Victoria to the Alberni canal, the district represented by my hon. friend (Mr. Neill). I do not know how much was expended on it, but it runs for some 50 or 60 miles and is more or less graded through to Alberni canal. It was a mistake in the first instance to have started the line from Victoria; it should have been started from Cowichan bay. Had they built the line from Cowichan bay to Cowichan lake this 8 miles would have carried the line to Cowichan lake, with the additional assistance asked for in a subsequent resolution, and they would have had the best paying line in Canada. The Canadian Pacific Railway with splendid business sense, while we were dallying with the matter and had not enough money to complete the line to Cowichan lake, ran a line from their main line into Cowichan lake, a distance of 20 miles. I am safe in saying that that 20 miles is the best paying piece of line in the whole Canadian Pacific system. There are logging trains every hour of the day. This 8 mile spur which connects with the Canadian Northern system is not a competitor of the Canadian Pacific Railway, because it opens up an immense body of timber long before it gets into the country where the Canadian Pacific Railway operates on the slope of the mountainside across the river. This line, with the spur, and with the line that is asked for in the next resolution, will pay the interest on the sinking fund on the total amount of money expended on the road. Forty or fifty miles of that road should never have been built. There is little traffic originating on it for fully forty miles. I know the conditions in this part of the country perhaps better than the engineers who have so strongly recommended the line proposed in this and the following resolution and I think it is fully justified. It runs through a dense forest until it gets to Alberni canal, a distance of 50 or 60 miles. Any one familiar with the forests of British Columbia knows what I mean when I say that the forests in this locality are dense; a cut of two hundred thousand feet per acre is not unusual. Now, I rather hesitate to say anything in support of the resolution for fear that I shall arouse the criticism of the hon. member for St. Lawrence-St. George, but there is no question whatever that this proposed line is absolutely necessary. There is no railway more justified than this, and it seems to me that the information that has been given by the engineers is quite adequate. Three members in this House, all hon. gentlemen, who know the conditions in the West, get up and say that a line—the Vernon line—is amply justified and is necessary, and still there seemed doubt in the matter. What more information do hon. gentlemen want than has been submitted? I am only one member advocating this but I know that what I say cannot be contradicted. Only a trivial amount is involved in comparison with what is spent on other lines and I do not think that there should be any objection whatever to the bill.

Resolution reported, read the second time and concurred in. Mr. Graham thereupon moved for leave to introduce Bill No. 34, respecting the construction of a Canadian National Railway line to Cowichan bay, on Vancouver island.

MILE 100, VANCOUVER ISLAND

Motion agreed to and bill read the first time.

Hon. G. P. GRAHAM (Minister of Railways) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide for the construction of a Canadian National Railway line, being an extension of the Vancouver island main line of the Canadian Northern Pacific railway from mile 74 to mile 100, in the province of British Columbia; mileage already graded, 55 miles; estimated mileage including existing grading, 26 miles; estimated cost, $348,300.

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

Mr. GRAHAM: I insist on putting on Hansard the estimates and explanations in connection with these resolutions so that hon. gentlemen will have the information before them. The memorandum from the Canadian National Railways in regard to this resolution is as follows:

Vancouver island, Mile 74-100—	Cost
Grade now ahead of track, 55 miles—	
Proposed in 1924,—9 miles track and ballast..	$155,000
Proposed in 1925,—17 miles track and ballast..	193,300
	$348,300

It is proposed in 1924 to lay 9 miles of track from the foot of Cowichan lake to Cottonwood, and repair 17 further miles of grade, at an estimated cost of $155,000. In 1925 to lay the track from Cottonwood, Mile 83, to Mile 100, at a cost of $193,300 for the year.

Prior to 1914 the grade on this line had been opened

up to Mile 135.7 and had been completed continuously to Mile 109, with certain patches incomplete from there to Mile 135.7.

By 1921 the bridges and track had been completed to Mile 74.0, at the foot of the Cowichan lake, and subsequently nothing further has been done on this line.

The character of the country for the first 16 or 17 miles out of Victoria is partly agricultural and partly timber area of a light and scattered character of fir timber, of which a good deal has already been logged off. From Mile 20.0 to Mile 50.0 is fully timbered country, but the timber is not as thick nor as heavy as further ahead on the line. From Mile 50.0 through to the Alberni canal the line runs through an exceptionally heavy stand of timber on which, up to the present, there has been practically no development, except along the Cowichan lake where considerable logging operations have been and are going on during the working seasons. The only business of any consequence that can be expected from this line for a great many years to come will be timber and its products until the timber has been cleared and the stumps taken up to permit of agricultural development.

The justification for construction of this line is to handle the timber and its products. As the haul from Cowichan lake on the line to Victoria is 74 miles over a line of 1.5 per cent grades and 12 degrees curves, rates that would pay the railway would be excessive. To shorten this distance an alternative has been looked for and found by the proposed construction of what is known as the Cowichan bay cut-off, which would be a branch 10 miles in length from a point on the line about 12½ miles south of the foot of Cowichan lake—

Sir HENRY DRAYTON: That is the last one you dealt with.

Mr. GRAHAM: This line in connection with the other will complete the line to tidewater—

—Mile 62.0 to tidewater at Cowichan bay, thus reducing the haul from the foot of Cowichan lake to tidewater from 74.5 miles to 22.5 miles. This cut-off being constructed will warrant the extension of the main line to Mile 100.0 which would tap an area of exceedingly fine timber and bring it within reasonable rail haul to tidewater and should produce a big traffic.

SIR HENRY DRAYTON: Will the hon. gentleman show us the situation on the map?

Mr. GRAHAM: The maps are gone.

Sir HENRY DRAYTON: No, I have the map here.

Mr. GRAHAM: I will try to get a better map. These are not very good.

Sir HENRY DRAYTON: This is not a map at all. There is a red line which shows you think of doing something.

Mr. GRAHAM: It shows where the roads are going to run.

Sir HENRY DRAYTON: It is simply an advertising map without scale or anything. If the hon. minister thinks he can build railways on that kind of a map, it is a queer proposition. I asked for information in connection with the other line. I suppose we can hope to get that information. I want similar information to that which I got about the former line.

[Mr. Graham.]

Mr. GRAHAM: I think the hon. gentleman behind my hon. friend gave the information in detail beyond anything I could secure for him.

Sir HENRY DRAYTON: Perhaps the hon. gentleman behind me knows a little more about the country than the engineers reporting, judging from the character of the reports we have, as he has gone into it more carefully, but we have a right to get it from the engineers, and I am going to ask my hon. friend to bring down particulars in connection with this matter as well as the other matter. The particulars will show what is being done, and we will have information, I presume, in connection with the logging area that is now being cleared. There will be no difficulty in getting pretty accurate information assuming these reports are correct, because, following the hon. minister as best I could, it seemed to me that what he read indicates that the whole of this destroyed area was once a forest, that you have a certain amount of it now cleared, and that you have the clearing back to such a point that it is no longer profitable to haul from where the timber now stands to the end. Is that right?

Mr. GRAHAM: I would imagine so.

Sir HENRY DRAYTON: Is your information different from that?

Mr. GRAHAM: No.

Sir HENRY DRAYTON: I can assume that is correct. If that is correct we will know what timber was hauled by that line from that area which is now exhausted, and we ought to be put in a position to know whether the National Railway system would be justified in making this investment or not, and of course my hon. friend will not forget the map.

Resolution reported, read the second time and concurred in. Mr. Graham thereupon moved for leave to introduce Bill No. 35 respecting the construction of a Canadian National Railway line to Mile 100 on Vancouver island.

Motion agreed to and bill read the first time.

On motion of Mr. Mackenzie King, the House adjourned at 10.45 p.m.

End of Vol. I.