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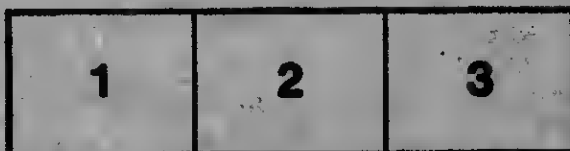
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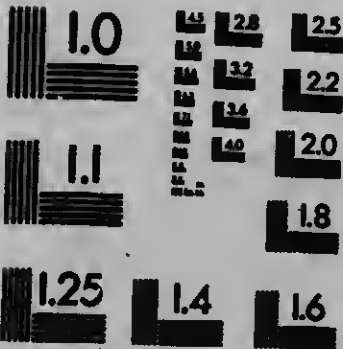
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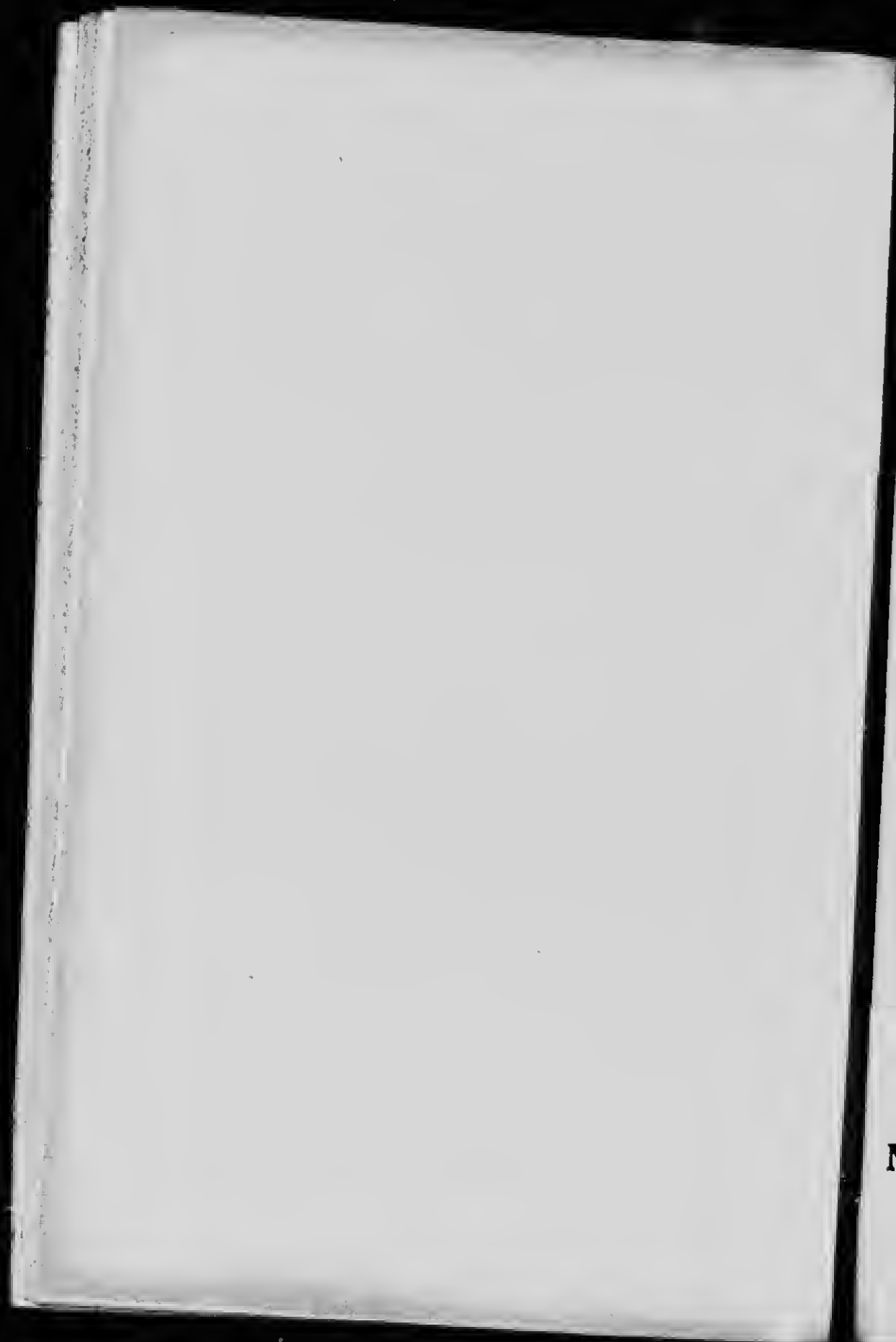
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PLAIN TRUTHS

FOR THE PEOPLE

Pages from the Record of the Laurier Administration from 1896 to 1908.

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**No Corrupt or Dishonest Act Has
ever been Charged Against any
Member of the Government**

| | |
|----------------------------|----------------------------|
| Revenue 1896, \$36,618,590 | Revenue 1908, \$96,054,505 |
| Deficit . . . 330,551 | Surplus . . . 19,413,054 |

Lighted the Channels

Abolished Canal Tolls

United the Races

Reduced the Taxation

Increased the Revenue

Enlarged Railway Commission

Reduced the Postal Rates

Developed the Resources

Increased Provincial Subsidies

Deepened the Channels

Transcontinental Railway

Had Surplus Every Year

Immigration Encouraged

New Provinces Created

Great Trade Expansion

Settled the West

AVERAGE TAXATION, 1896

\$18.28

AVERAGE TAXATION, 1908

\$15.88

TAXATION RECORD

Liberals Pledged Themselves to Lower the Rate of Taxation and Increase the Revenue.

Pledge Faithfully Performed

Revenue under Liberal Administration Has been the Highest on Record, and the Taxation is Lower than in 1896

The Liberal party viewed with alarm the growing expenditure in 1896, for the reason that the public debt was increasing, and there was no proportionate augmentation of revenue. The attitude of the Liberal party was that having regard to a revenue of \$33,978,129, the Conservative Government had no right to expend \$38,132,005, thus creating a deficit of \$4,153,875, as was the case in 1894-5.

The policy of the Conservative Government was based upon such unsound and unsatisfactory principles that the revenue in 1896 was less by \$3,000,000 than it was in 1889-90, with no diminution in expenditure and an excessive rate of taxation.

Sir Wilfrid Laurier promised, if returned to power, to remedy the evil which led to this condition of affairs. Speaking at Toronto, on February 6, 1895, he said:—

"We want a revenue tariff.—a tariff not based upon principles of protection, but simply calculated to give the greatest amount of revenue with the minimum of taxation. This is the policy we have in view."

Liberals Produced a Revenue.

The Liberals promised, if returned to power, that they would design a tariff that would produce a revenue. In 1896 the total revenue of Canada was \$3,000,000 less than it was in 1889, and the public debt was over \$40,000,000 greater. It had been found necessary by the Conservatives to borrow money TO PAY THE ORDINARY EXPENSES OF THE COUNTRY. The public debt had been piling up year by year, and the time had arrived to change the government. The people were promised an increase in revenue, and this is how the Liberals kept their promise:—

IN 1896 THE TOTAL REVENUE OF THE COUNTRY UNDER CONSERVATIVES WAS

\$36,618,590.

UNDER LIBERAL RULE

| | | |
|------------------|---------------------------|--------------|
| In 1897 | this was exceeded by..... | \$ 1,211,188 |
| In 1898 | "..... | 3,936,648 |
| In 1899 | "..... | 10,122,659 |
| In 1900 | "..... | 14,411,404 |
| In 1901 | "..... | 15,896,111 |
| In 1902 | "..... | 21,432,200 |
| In 1903 | "..... | 29,418,478 |
| In 1904 | "..... | 34,051,226 |
| In 1905 | "..... | 34,564,182 |
| In 1906 | "..... | 43,520,770 |
| In 1907 (9 mos.) | "..... | 31,350,738 |
| In 1908 | "..... | 59,881,410 |

TOTAL REVENUE IN 1896, AFTER CONSERVATIVES HAD BEEN IN POWER EIGHTEEN YEARS.....\$ 36,618,590

TOTAL REVENUE IN 1908, AFTER LIBERALS HAD BEEN IN POWER TWELVE YEARS,
\$96,500,000

EXCESS OF REVENUE 1908 OVER 1896.

\$59,881.410

Revenue from Excise.

In 1896, the total revenue from excise was \$500,000 less than it was in 1893. It amounted to

\$8,034,077

UNDER LIBERAL RULE

| | | |
|------------------|---------------------------|--------------|
| In 1897 | this was exceeded by..... | \$ 1,254,603 |
| In 1898 | " (no excess) | |
| In 1899 | " | |
| In 1900 | " | 1,768,193 |
| In 1901 | " | 2,019,090 |
| In 1902 | " | 2,577,300 |
| In 1903 | " | 3,432,813 |
| In 1904 | " | 4,368,089 |
| In 1905 | " | 5,300,501 |
| In 1906 | " | 11,902,252 |
| In 1907 (9 mos.) | " | 6,401,480 |
| In 1908 | " | 4,063,569 |
| | | 8,219,563 |

TOTAL REVENUE FROM EXCISE IN 1896, AFTER EIGHTEEN YEARS OF CONSERVATIVE RULE,

\$8,034,077

TOTAL REVENUE FROM EXCISE IN 1908, AFTER TWELVE YEARS OF LIBERAL RULE,

\$16,253,640

EXCESS OF REVENUE FROM EXCISE IN 1908 OVER 1896,

\$8,219,563

IN TWELVE YEARS THE REVENUE FROM EXCISE MORE THAN DOUBLED. IT WAS TWICE AS GREAT IN 1908 AS IT WAS IN 1896.

LIBERALS REDUCED TAXATION

Sir Wilfrid Laurier promised not only to increase the revenue, but to reduce the rate of taxation, and the tariff was ultimately designed to accomplish this result. How successfully this was done the following official figures will demonstrate.

Percentage of Taxation.

| | |
|---|------------|
| Average rate of customs taxation in 1896 (last year of Conservative rule).... | \$ 18.28 |
| Average rate of customs taxation in 1908, under Liberal rule..... | 15.88 |
| This means that the Liberal reduction of the Conservative taxation is equivalent to | 13 pr. ct. |

EN IN
6,618,590
POWER

1893.

254,603
.....
68,193
19,090
77,300
32,813
88,089
100,501
12,252
11,480
13,569
9,583

CARS

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The Liberal Government has effected a reduction in the rate of duty and taxation. On all goods entering Canada for home consumption, the average rate of duty in 1896 was 18.28 per cent., and in 1907 it was 15.66 per cent., a reduction of 2.62 per cent. IN OTHER WORDS, THE LIBERALS REDUCED TAXATION \$2.55 UPON EVERY \$100 OF GOODS ENTERED FOR HOME CONSUMPTION.

On dutiable imports, the average rate in 1896 was 29.97 per cent., and in 1907 it was 26.33 per cent., a reduction of 3.64 per cent. IN OTHER WORDS, THE LIBERALS REDUCED TAXATION \$3.64 UPON EVERY \$100 OF GOODS IMPORTED.

On the total imports in 1896 the average rate was 19.12 per cent., and in 1907 it was 16.03 per cent., a reduction of 3.09 per cent. IN OTHER WORDS, THE LIBERALS REDUCED TAXATION \$3.09 UPON EVERY \$100 OF GOODS ENTERING CANADA.

The above figures prove that although taxation was reduced, the revenue increased. This was an exact fulfilment of the pledge made to the people in 1895. TO INCREASE THE REVENUE WITHOUT ADDING TO THE BURDEN OF TAXATION.

The Liberal Government stimulated the revenue without adding anything to the public burden, but on the contrary bringing about the reductions indicated above.

MONEY WELL EXPENDED

Every Department of Commerce Profited by the Wise Expenditure of Public Money.

LARGER OUTLAY, BUT ALWAYS A SURPLUS

Liberal Government had Greater Responsibilities Arising out of the Rapid Development of the Country.

Money well expended will bring good results. Such expenditure is beyond criticism. The Liberal party regarded it as monstrous to expend \$40,000,000 a year, with a falling revenue unequal to carry the burden of ordinary expenditure. This was the basis of their criticism of the Conservative policy previous to 1896.

What was the position in 1896? A public debt increased by \$118,000,000 and a yearly expenditure in excess of the revenue. Such a condition of affairs demanded a remedy, and Sir Wilfrid Laurier and Sir Richard Cartwright pledged themselves if returned to power, to apply the remedy. EITHER THE REVENUE MUST BE INCREASED OR THE EXPENDITURE MUST BE LOWERED. By the application of intelligent statesmanship, a policy was adopted which quickly changed the financial conditions of the Dominion. FROM THE VERY FIRST DAY THE LIBERALS ASSUMED OFFICE UNTIL TODAY THERE HAS BEEN A SURPLUS OVER AND ABOVE THE ORDINARY EXPENSES OF THE COUNTRY.

Hon. W. S. Fielding, Minister of Finance, traversed the whole subject when he said: "The lesser sum expended by our predecessors was extravagance, because they did not have it to expend. THE LARGER SUM WE HAVE EXPENDED IS ECONOMY, BECAUSE WE HAVE LIVED WITHIN OUR MEANS."

The vitality infused into every department of commercial life throughout the Dominion on the advent of Sir Wilfrid Laurier to power quickly brought gratifying results—the dark days of deficit had ended and an era of surpluses commenced.

Liberals Record Surpluses.

The Conservative Government was a government of deficits. The policy followed was so little adapted to the needs of the country that it failed to produce a revenue sufficient to pay the ordinary expenses of the country. IN OTHER WORDS, THE CONSERVATIVES WERE COMPELLED TO BORROW MONEY TO PAY LIVING EXPENSES.

The last three years of Conservative rule resulted in a deficit of \$6,000,000.

In sharp contrast to this is the record of the Liberal Government. With the exception of the first year, when the government had to carry the Conservative burden, THERE HAS BEEN A LARGER SURPLUS EACH YEAR.

GROWTH OF SURPLUS.

| | |
|--------------------------|-----------------------|
| 1897-8 | \$ 1,722,712 |
| 1898-9 | 4,837,749 |
| 1899-00 | 8,054,714 |
| 1900-01 | 5,048,333 |
| 1901-02 | 7,291,398 |
| 1902-03 | 14,345,166 |
| 1903-04 | 15,056,984 |
| 1904-05 | 7,863,089 |
| 1905-06 | 12,898,719 |
| 1906-07 (9 mcs.) | 16,427,107 |
| 1907-08 | 19,000,000 |
| Grand Total | \$ 113,146,031 |

LAST YEARS OF DEFICITS

Compare the above with the last few years of Conservative rule.

| | |
|--|---------------------|
| 1893-4 | Deficit. |
| 1894-5 | \$ 1,210,332 |
| 1895-6 | 4,153,875 |
| 1896-7 | 330,551 |
| Total Conservative Deficits | \$ 6,214,730 |

GREATER RESPONSIBILITIES

Canada cannot be administered without a reasonable increase in expenditure. As the country expands and develops, the demands for public works and improvements multiply, and must be reasonably met. When the Liberals assumed office, they found, as the result of mismanagement, a general stagnation in business circles, arising from a want of confidence in the Conservative Government. This sentiment soon gave place to one of security, and the result was manifest in a stimulus to every branch of trade, the like of which the country had never seen.

It is true that the expenses of the country have largely increased, but not out of proportion to the business transacted. This feature of the case is overlooked by the Conservatives when criticizing the government expenditures. Examine this a moment. In 1896, the total trade of the country was \$239,025,000 and the revenue \$36,618,590. The deficit was \$330,551. In 1908, the total trade of the country was \$650,793,000 and the revenue \$96,500,000. One must judge by results. If it be extravagance to increase the trade of the country from \$239,000,000 to \$650,000,000 and show a surplus of \$19,000,000, then what should be said of the

The policy
to produce
OTHER
BORROW

0,000.
With the
conservative

1,722,712
1,837,749
3,054,714
5,048,333
2,291,398
3,345,166
1,056,981
863,089
898,719
427,107
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19,981

4,730

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Conservative Government, which secured a trade of only \$239,000,000 and came out at the end of the year nearly half a million in debt?

If extravagance brings results such as this, the people would welcome more of it. The money of the people is well spent if it encourages trade, and a government that can do this and show a large surplus is a better government than one which spent less, but failed to stimulate trade, and could not meet its obligations at the end of the year. By judicious expenditure of money, the Liberal Government has stimulated every department of industry, and made necessary extra transportation facilities and more buildings for the public convenience, thus adding to the public expenditure in a legitimate manner.

The government, while not unmindful of their obligations in administering the revenue for the benefit of the people as a whole, have conducted affairs honestly and economically, with due regard to the necessities of the public service.

Expenses Reduced.

In 1896 it cost the Conservatives 04.43 per cent. to collect the Customs revenue amounting to \$20,219,037.

In 1907 (nine months only) it cost the Liberals 03.04 per cent. to collect the Customs revenue, amounting to \$40,290,171.

THE NATIONAL DEBT

For Twelve Years the Liberals Expended Large Sums on Public Improvements, with Slight Addition to Public Debt. In Eighteen Years the Conservatives Spent Eighty Millions on Public Improvements, of which Sixty-Two Millions was Borrowed Money.

DURING EIGHTEEN YEARS OF POWER, BETWEEN THE YEARS 1878 AND 1896, THE CONSERVATIVES ADDED TO THE PUBLIC DEBT THE SUM OF

\$118,000,000

DURING TWELVE YEARS OF POWER, BETWEEN 1896 AND 1908, THE LIBERALS ADDED TO THE PUBLIC DEBT THE SUM OF

\$5,000,000

DURING THE LAST ELEVEN YEARS OF CONSERVATIVE RULE, THEY SPENT \$80,000,000 ON PERMANENT IMPROVEMENTS, TO DO THIS THEY BORROWED

\$62,000,000

DURING ELEVEN YEARS OF LIBERAL RULE THEY SPENT \$127,000,000 ON PERMANENT IMPROVEMENTS. TO DO THIS THEY ONLY BORROWED \$5,000,000.

FOSTER THE BORROWER

HON. GEO. E. FOSTER WAS THE MAN WHO INCURRED THE HEAVY DEBTS WHICH THE PRESENT FINANCE MINISTER HAS TO MEET. Mr. Foster is constantly asking questions in the House on this subject. He is worrying about maturing loans and anxious as to their payment. HE SHOULD HAVE BEEN MORE CAREFUL OF THE INTERESTS OF CANADA WHEN HE WAS FINANCE MINISTER, and not have incurred the debts, than he would have had no cause for anxiety now.

If Canada has heavy debts to pay, MR. FOSTER WAS THE MAN WHO BORROWED THE MONEY AND SPENT IT, and this is the man who expects the people of Canada to make him Finance Minister. It is to be hoped the people of Canada will remember THE MAN WHO INCURRED THE DEBTS.

There has been an obligation of \$12,000,000 entered into on account of the National Transcontinental Railway, BUT WITH RESPECT TO THIS THE COUNTRY POSSESSES A VALUABLE ASSET, and the mandate of the people in 1904 was, BUILD THE RAILWAY.

NET DEBT PER CAPITA

The Liberal Government can show a less debt per capita than the Conservative government could in 1896. It is being reduced year by year.

| | | |
|------|-------------------------------|-------|
| 1896 | Conservative's last year..... | 50.82 |
| 1897 | Liberal..... | 50.87 |
| 1898 | " | 50.77 |
| 1899 | " | 50.62 |
| 1900 | " | 49.88 |
| 1901 | " | 49.84 |
| 1902 | " | 49.59 |
| 1903 | " | 46.84 |
| 1904 | " | 45.74 |
| 1905 | " | 45.63 |
| 1906 | " | 44.63 |
| 1907 | " | 42.84 |

| | |
|-----------------------------------|-------|
| Conservatives Net Debt, 1896..... | 50.82 |
| LIBERAL NET DEBT, 1907..... | 42.84 |

POST OFFICE SURPLUS

Conservatives Never Had a Surplus; Liberals Have Accumulated Large Ones Year by Year.

Never in the history of Conservative government did the Post Office show a surplus. In 1896 there was a deficit of \$700,997. SINCE 1903, UNDER LIBERAL ADMINISTRATION THE POST OFFICE HAS PRODUCED A SURPLUS EVERY YEAR. LAST YEAR'S SURPLUS AMOUNTED TO

\$1,100,000

SURPLUS BY YEARS.

| | |
|-------------------------|--------------------|
| 1903..... | \$ 292,654 |
| 1904..... | 304,784 |
| 1905..... | 490,845 |
| 1906..... | 1,011,765 |
| 1907..... | 1,082,171 |
| 1908..... | 1,100,000 |
| Grand Total..... | \$4,282,219 |

This surplus has been created notwithstanding a reduction in the postal rates, and the establishment of the drop letter rate in cities.

In addition to this, the increase to postmasters' salaries granted last year amounted to over \$400,000, and \$750,000 was expended in extending the service.

This has been accomplished notwithstanding the postal rate has been reduced and the drop letter rate in cities lowered to one cent.

TRADE GROWTH

How Liberals Made Good

Every Promise to the People Faithfully Kept—A Brilliant Record of Twelve Years' Stewardship.

Enormous Trade Expansion

Lower Taxation and Highest Revenue in the History of the Country—Public Affairs Administered with Wisdom.

The Liberal party came into power in 1896, on the distinct pledge to design a policy that would produce a revenue, give an impetus to commerce, and preserve the public domain from the greed of railway corporations.

In 1900 and 1904 they rendered an account of their stewardship and the people signified that confidence in the government was unimpaired. The following pages show how well the pledges made to the people were redeemed, and upon the results secured, the administration can confidently leave the verdict with the electorate.

TRADE UNDER CONSERVATIVES.

| Year ended June 30, | Imports. | Exports. | Total. |
|---------------------|--------------|--------------|---------------|
| 1878..... | \$93,081,787 | \$79,323,667 | \$172,405,454 |

After 18 years of Conservative rule the following shows increase in trade:—

| Year ended June 30, | Imports. | Exports. | Total. |
|---------------------|---------------|---------------|---------------|
| 1896..... | \$118,011,508 | \$121,013,852 | \$239,025,360 |

Total increase in trade after 18 years of Conservative rule:—

| Imports. | Exports. | Total. |
|--------------|--------------|--------------|
| \$24,929,721 | \$21,690,185 | \$66,619,906 |

TOTAL INCREASE IN 18 YEARS, ENDING 1896

\$66.619.906

After being in power for eighteen years, the Conservatives could only point to a total increase of trade amounting to \$66,619,906.

TRADE UNDER LIBERALS

The very year the Liberals assumed office there was a revival of confidence in business circles, and a consequent increase in trade. The following table shows the steady growth each year, to the banner year ending 31st March, 1908, WHEN THE GRAND TOTAL AND RECORD-BREAKER OF \$650,793,131 WAS REACHED, AN INCREASE OF \$411,768,000 OVER THE LAST YEAR OF CONSERVATIVE RULE.

CANADA'S TRADE EXPANSION

| Year ended June 30, | Imports. | Exports. | Total. |
|---------------------|-----------------|-----------------|-----------------|
| 1897..... | \$119,218,609 | \$137,950,253 | \$257,168,862 |
| 1898..... | 140,323,053 | 164,152,683 | 304,475,736 |
| 1899..... | 162,764,308 | 158,896,905 | 321,661,213 |
| 1900..... | 189,622,513 | 191,894,723 | 381,517,236 |
| 1901..... | 190,415,525 | 196,487,632 | 386,903,157 |
| 1902..... | 212,270,158 | 211,640,286 | 423,910,444 |
| 1903..... | 241,214,961 | 233,790,516 | 475,005,477 |
| 1904..... | 259,211,803 | 213,521,235 | 472,733,038 |
| 1905..... | 266,834,417 | 203,316,872 | 470,151,289 |
| 1906..... | 294,286,015 | 256,586,630 | 550,872,645 |
| 1907 (9 mos.)..... | 259,786,007 | 205,277,197 | 465,063,204 |
| 1908..... | 370,786,525 | 280,006,606 | 650,793,131 |
| Grand Total..... | \$2,708,733,894 | \$2,453,521,538 | \$5,160,255,432 |

TOTAL TRADE UNDER LIBERALS IN TWELVE YEARS.

\$5,160,255,432

TOTAL TRADE UNDER CONSERVATIVES LAST TWELVE YEARS OF THEIR RULE.

\$2,537,470,972

EXCESS IN TRADE DURING TWELVE YEARS OF LIBERAL RULE OVER THE LAST TWELVE YEARS OF CONSERVATIVE RULE,

\$2,622,784,460

THE LIBERALS GAINED MORE IN TOTAL TRADE AFTER BEING IN OFFICE TWO YEARS THAN THE CONSERVATIVES GAINED IN EIGHTEEN YEARS.

DURING THE YEAR 1908 THE LIBERALS GAINED SIX AND A HALF TIMES MORE TRADE THAN THE CONSERVATIVES GAINED AFTER BEING IN OFFICE FOR EIGHTEEN YEARS.

The following table shows how the total trade of the country grew after the Liberals assumed office:—

RESULT OF WISE POLICY

In 1896 total trade under Conservatives was.....\$239,025,000

LIBERAL RULE

| | |
|------------------------------------|--------------|
| In 1897 this was exceeded by | |
| In 1898 | \$18,143,000 |
| In 1899 | 65,450,000 |
| In 1900 | 82,636,000 |
| In 1901 | 142,492,000 |
| In 1902 | 147,878,000 |
| In 1903 | 184,885,000 |
| In 1904 | 235,980,000 |
| In 1905 | 233,708,000 |
| In 1906 | 231,126,000 |
| In 1907 (9 mos.) | \$11,847,000 |
| In 1908 | 226,038,000 |
| | 411,768,000 |

TOTAL INCREASE 1908, OVER LAST YEAR OF CONSERVATIVE RULE.

\$411,768,000

TOTAL INCREASE 1896, AFTER 18 YEARS OF CONSERVATIVE RULE,

\$66,619,000

The growth of trade is convincing evidence of the country's prosperity. In this regard the Liberal administration can point with pride to the results of a wise policy honestly applied. After being in power for eighteen years the Conservatives did not succeed in developing the trade of Canada to any appreciable extent. **ON THE OTHER HAND TRADE RESPONDED TO THE FISCAL POLICY OF THE LIBERAL GOVERNMENT BY LEAPS AND BOUNDS.**

TOTAL TRADE IN 1896, AFTER CONSERVATIVES HAD BEEN IN POWER EIGHTEEN YEARS.

\$239.025.360

TOTAL TRADE IN 1908, AFTER LIBERALS HAD BEEN IN POWER TWELVE YEARS.

\$650.793.131

EXCESS OF TRADE 1908 OVER 1896.

\$411.768.000

Trade with Great Britain.

The Conservatives after eighteen years of power secured a total trade with Great Britain of \$98,935,040. The Liberals after twelve years of power point with pride to a total trade with Great Britain of \$208,745,193.

COMPARISON WITH MEXICO

The Conservatives have made a comparison of the total trade of Mexico with that of Canada for the years 1896 and 1906, and based an argument upon figures that are false. The table circulated by the Conservatives on Mexican trade is as follows:—

| | 1896. | 1906. |
|-------------------------|----------------------|----------------------|
| Canada, imported | \$105,000,000 | \$283,000,000 |
| " Exported..... | 113,000,000 | 247,000,000 |
| Total Trade..... | \$218,000,000 | \$530,000,000 |
| Mexico, Imported..... | \$42,000,000 | \$221,000,000 |
| " Exported..... | 105,000,000 | 271,000,000 |
| Total Trade..... | \$147,000,000 | \$492,000,000 |

The above table is absolutely false and misleading. It is the practice in Mexico to circulate official returns of imports, calculated on the basis of the Mexican dollar value. In 1896, the Mexican dollar was worth 97.3, which would bring the figures to about the par value of our dollar, but in 1906 the Mexican dollar was worth about fifty cents of our money. The exports were taxed upon the silver value of the Mexican dollar which varies, but for purposes of calculation it may be placed at 50 cents of our money. The table therefore, should read:

| | 1896. | 1906. |
|-------------------------|---------------------|----------------------|
| Mexico, Imported..... | \$42,000,000 | \$110,500,000 |
| " Exported..... | 52,500,000 | 135,500,000 |
| Total Trade..... | \$94,500,000 | \$246,000,000 |

From these corrected figures then, it is apparent that Canada, during the years quoted, beat out Mexico to the extent of \$284,000,000, in total trade. Why inaccurate figures should be circulated can only be explained on the theory that a weak case requires some bolstering.

COST OF TWO CENSUSES.

The Conservative Government expended \$549,991 on the census of 1891, according to published figures. In addition to this, for four years during the time the work was in progress, the cost was paid for out of votes for other purposes. The Dominion Statistician himself, who took the census, was never able to say what it cost. It was so inaccurate as to be ridiculous. It showed 557 industrial establishments for the manufacture of carpets, when there were only 15 carpet factories in 1881 and 10 in 1901. In twenty-one counties of Quebec, it showed 40,000 persons more than had been registered in the parochial records, whilst in the same twenty-one counties it discovered 400,000 more acres of occupied land than the total acreage of the same counties, as shown in another volume of the same census reports. The party which foisted this stuffed census returns on the people in 1891 are aggrieved at a correct census, which served to make the fraud they had practiced more prominent—the correct census of 1901, was cheap compared to the incorrect one of 1891, the cost of which will always remain unknown.

THE MIDDLEMAN

Fault is Found to a Paltry Extent in Expenditures Reaching Upwards of \$800,000,000. Evidence of Faithful Supervision by the Auditor-General.

Since the Liberal party came into power in 1896, there has passed through their hands, both ways, approximately \$800,000,000, and of this colossal sum the following items have been challenged by the Conservatives.

| | |
|-------------------------------|-----------------|
| Moncton Land deal..... | \$8,805 |
| Halifax Land deal..... | 26,812 |
| Kentville Rifle range..... | 5,841 |
| Pearson Printing account..... | 7,155 |
| Walberg Contracts..... | 4,550 |
| Merwin Contracts..... | 6,173 |
| Strubbe Contracts..... | 2,471 |
| Sub-Target Contract..... | 33,700 |
| Grand Total..... | \$95,507 |

It is not alleged that this money was corruptly or dishonestly obtained from the Government, but that the prices paid for articles WERE IN EXCESS OF VALUE, and the profit or commissions made by the Middlemen were excessive. For the purposes of illustration we will admit the sum of \$100,000 as being paid in excess of a fair price. THIS MEANS THAT \$1 in every \$8,000 expended by THE GOVERNMENT IS OPEN TO QUESTION.

Let any reasonable man think of this for a moment, and apply such a result to any railway corporation, Municipal Council or extensive business enterprise that has \$8,000 to expend, and if every dollar except one of the whole \$8,000 is expended in a manner that cannot be questioned, would it not be an occasion for congratulation? IF THE PEOPLE OF CANADA HAVE HAD GOOD VALUE FOR EVERYTHING EXPENDED, EXCEPTING ONLY TO THE EXTENT OF \$1.00 IN EVERY \$8,000, then it must be admitted that the affairs of the people have been well looked after, and the PUBLIC MONEY HAS BEEN EXPENDED PRUDENTLY AND HONESTLY.

It would be a very different matter if the Conservatives charged that even this trifling sum of \$1.00 in every \$8,000 had found its way into the pocket of any minister of the Crown or public official. In such case the situation would be changed. As it stands the sum total of the opposition criticism amounts to the above paltry sum as being an excessive charge, and that is only a matter of opinion.

This is a very different state of affairs to what occurred in Conservative days, when the Liberal party were in opposition. They charged gross wrong doing by the Conservatives then in power, and these charges were not alone based upon extravagance, BUT UPON ACTUAL DISHONESTY and participation in corrupt profits.

The money of the people has been CAREFULLY GUARDED, and considering the magnitude of the business transacted, and the endless detail connected with each department, it must be the occasion of congratulation that after twelve years the Opposition can only present to the people a few instances in which it is thought that TOO HIGH PRICES WERE PAID FOR GOODS SUPPLIED TO THE GOVERNMENT. The Government has offered every facility for the most thorough investigation into the public accounts, but so thorough is the system of supervision exercised by the auditor general that overcharges and excessive prices are easily detected. It may truthfully be said that financial affairs have been ECONOMICALLY AND WISELY ADMINISTERED.

HALIFAX LAND DEAL

The Land was Purchased from Mr. J. R. Henderson, a Prominent Conservative and Manufacturer, of Halifax, N.S., who Acquired it Primarily for his Own Purposes. Railway Department Selected the Land as being best Adapted for their Requirements. Present Value in Excess of Purchasing Price.

Who Is Mr. Henderson?

One of the transactions of the Railway Department, in respect of which the Opposition claim to have established a "Scandal," relates to the purchase of certain land for the purpose of a Round House. The alleged scandal is in regard to the payment of \$45,500 to Mr. J. R. Henderson, of Halifax, and was for payment of land near the cotton mill siding, Halifax, for I. C. R. extension.

Mr. Henderson is a Paint Manufacturer carrying on business under the firm name of "Henderson & Potts," at Halifax. The property and works of this firm are in the immediate vicinity of the land sold to the Government, for which the said sum of \$45,500 was paid. Mr. Henderson is a gentleman of large means, of excellent reputation, and is a firm adherent and supporter of the Conservative Party. These are significant facts of importance in considering this transaction.

Why He Bought The Land.

With Mr. Henderson, there was associated in the affair Mr. B. F. Pearson, a member of the Nova Scotia Government. The association came about in this wise. Some time in July, 1905, these two gentlemen met at the Windsor Hotel, Montréal, and discussed the advisability of securing a large block of land contiguous to Mr. Henderson's works, for the purpose of establishing a lead corroding industry in conjunction with a well-known English firm for whom Mr. Henderson had been acting as agent for 14 years. For some time previous to this, these gentlemen, Messrs. Henderson and Pearson, had conferred together on the desirability of forming a syndicate to acquire all the land in the neighbourhood of Mr. Henderson's works, as a site for manufacturing purposes, Mr. Pearson stating that he had in view bringing two manufacturing concerns from country towns into Halifax.

Shortly afterward, Mr. Henderson went to England to confer with the firm of "Brandon," having in view the establishment of the lead works, as intimated above. Immediately upon his return, he commenced negotiations with the view of securing the land not already owned by the firm of Henderson & Potts.

Up to the time of securing these lands, Mr. Henderson had no knowledge whatever of the intention of the Intercolonial authorities to acquire them. His idea in purchasing them was in furtherance of the new enterprise, which he thought would sooner or later create a demand for the land for manufacturing purposes.

Ultimately it came to the knowledge of Mr. Henderson that the Government were making enquiries with respect to the land. No person at any time up to this, on behalf of the Government, had made overtures to Mr. Henderson with respect to the purchase of the land. Having heard that Government engineers had been examining the land, Mr. Henderson, on joint account with Mr. Pearson, who invested \$10,050 in the enterprise, subsequently acquired all the available property. To use Mr. Henderson's sworn testimony before the Public Accounts Committee:—

"I took a chance because I continued to hear and felt sure that the Government were seriously inspecting that neighbourhood."

Placed A Price on Land.

Shortly after this, Mr. Henderson, being about to leave for England on the lead business, consulted with Mr. Pearson, and told him that, should the Intercolonial people seek to acquire the land, that they should be asked 3c. per foot for it. Up to this time, neither Mr. Henderson nor Mr. Pearson had made any overtures to the Government as to selling the land.

Mr. Henderson fixed the value of the land at 3c. a foot, after consulting with Samuel T. Brookfield, a large contractor of Halifax, and a recognized authority on the value of land.

Mr. Henderson left for England, and heard nothing more of the matter until his return, some months later, when he was informed that the Government had purchased the land at the price placed upon it by him before he left, and, having signed the deeds, he was handed the cheque for \$45,500 in payment, and the transaction was concluded.

Acted in Good Faith.

Mr. Henderson acted in perfectly good faith throughout. He entered upon the purchase of these lands for purposes of his own, as agreed between Mr. Pearson and himself, and the purchase originally was without reference to the possibility of the Government wanting the lands. It was only after he discovered that agents of the Government were inspecting the lands that he acquired one or two properties. Mr. Henderson also swore that his relations with Mr. Pearson had no political significance, they were purely of a business character.

All Facts Sworn to

The above is an epitome of the sworn testimony before the Public Accounts Committee, of Mr. Henderson, and explains how he and Mr. Pearson acquired the property afterward purchased by the Government. This testimony demonstrates that neither Mr. Henderson nor Mr. Pearson had any intention of selling to the Government, or any knowledge that the Government intended to buy, when they started to secure land adjacent to that already owned by Henderson & Potts.

Government Side of it.

A glance at what took place on the Government side, with relation to this land, will corroborate the testimony of Mr. Henderson, and set at rest any allegation of collusion between the parties.

In August, 1905, Mr. M. J. Butler, Deputy Minister and Chief Engineer of Railways and Canals, proceeded to Halifax on a trip of inspection. He swore that a cursory examination of the old round house disclosed that it was in a very bad condition—that the site was thoroughly congested, and the location improper.

Inspected the Land.

It must be remembered that this visit of inspection occurred in August, 1905, after the interview between Messrs. Henderson and Pearson, and, in fact, he was devoting his attention to other properties.

Upon a later occasion he visited the site in question, and was so impressed with its desirability that he wrote the Minister, under date March 9th, 1906, advising its purchase, the letter concluding with these words:—

"It is not advisable that it should be known that the Railway is desirous of securing this property until the purchase is closed, and I therefore recommend that immediate steps be taken to secure firm options and to complete the purchase of the property.

(Sgd.) M. J. BUTLER.

The Land Valued.

The next step taken was to get a valuation of the property, after that the purchase passes into the hands of the Justice Department.

After March 16th, '06, Mr. Butler instructed Mr. Pottinger, General Manager of the Intercolonial, to instruct Mr. McCallreith to go ahead and close the matter, and have Mr. Henry Read value the property. Mr. Butler himself placed a value of \$40,000 on the property.

In due course, Mr. Read, who had long filled the position of Valuator for the Intercolonial, handed in his valuation and for the land in question it came to \$45,350. On May 11th, '06, instructing Mr. Pottinger to close the matter, Mr. Butler expressed the opinion that the valuation had been carefully made, and that it was desirable to secure the property at once.

No Collusion Possible

It therefore has been established that the Deputy Minister of Railways arrived at the conclusion that the Henderson land was desirable for the purposes of the

Intercolonial, apart from any other consideration and influence. Mr. Butler says that at the time he visited the property on January 18th, '06, he was accompanied only by officials of the Intercolonial, and that no other person had any knowledge whatever of his intentions.

The following is from Mr. Butler's testimony before the Public Accounts Committee in answer to Mr. Barker:

"Q. I suppose you carefully concealed from the public you intended taking the property."

"A. I never discuss with the public any affairs I have under my jurisdiction: that is absolutely the case."

"Q. Did you in this case absolutely conceal any intentions?"

"A. Yes."

"Q. The public were not allowed to know anything of your intentions?"

"A. No."

Up to January 18th, '06, Mr. Butler swore that everything had been kept secret, nothing had leaked out; at this same date Mr. Henderson was interested with Mr. Pearson in the property.

The position at this date was that Henderson owned the property and the Government were anxious to buy it.

What Valuator Swore.

Mr. Read, the valuator, swore that he was amazed to find such a property in Halifax that was available, as sites for manufacturing were scarce; this property was level, and was on railway communication.

In answer to Mr. MacDonald, Mr. Read said:

"Q. Do you regard the valuation that you made of this property as being a conservative one, or one which was on the side of liberality?"

"A. It was conservative."

"Q. Do you consider that the Government, in paying for this property, along the valuation you have made, paid anything more than you consider was the absolute worth?"

"A. I consider it is the greatest bargain that they got of any one that I had anything to do with, in value."

Mr. W. B. MacKenzie, Chief Engineer of the Intercolonial Railroad, and an appointee of the late Conservative Government, swore to the following facts before the Public Accounts Committee:—

"Q. What have you to say in regard to the question of the propriety of locating this round house upon the site upon which it is being built."

"A. My opinion is, it is the only proper place."

"Q. Do you know of any influence operating in the minds of the gentlemen of the Intercolonial Railway who were responsible for this recommendation, other than they had a desire to do what was in the public interest in locating this round house where it was?"

"A. No."

"Q. Have you observed at any time any suspicion of influence, any improper or other influence upon Mr. Butler, Mr. Pottinger or yourself, in coming to that conclusion?"

"A. Not the slightest."

"Q. Now, naturally, you, having to do with the construction part of the road, the buildings and other matters of that kind, you would, I assume, be able to give us some information as to what you think as to the price paid for this land, having regard to its situation, the locality and everything connected with it. Can you tell us whether you regard the amount as being right and just which has been paid by the Government, or as being an excessive payment?"

"A. No. I do not consider it an excessive payment. I know the prices paid for other pieces of land that have been purchased by the Intercolonial Railway for the last thirty years, and I feel quite safe in saying that the price was a very reasonable one."

This should dispose of the question of value, it having been alleged that an exorbitant price was charged the Government.

No Communication with Owners.

Mr. Pottinger, General Manager of the Intercolonial, swore that he never had any communication either with Mr. Henderson or Mr. Pearson, but that the property was selected and purchased entirely upon its merits, Mr. Butler, the Deputy Minister, gives similar testimony.

Mr. Henderson purchased the land primarily for a site for the lead corroding works he was about to establish, but finding that the Government wanted the land, and might proceed to expropriate whether he wished to sell or not, wisely decided to take his new works to Montreal, and place a price on this land.

The Government, finding that the price asked was a fair one according to their own valuator, agreed to buy it, and it was purchased accordingly, and to-day is of greater value than when the transaction was concluded.

Some Sallent Points.

Mr. Henderson is a wealthy man of good reputation, and a Conservative. He and Mr. Pearson acquired the land before the Government decided to purchase it; therefore, there could be no collusion.

The land was bought by Henderson and Pearson for a specific purpose not connected with the Government. Neither Henderson or Pearson had any dealings with the Government at the time the purchase had been decided upon.

Mr. Henderson placed a price upon the property and left instructions with his solicitors accordingly, before going to Europe.

On his return he was informed that the Government had agreed to buy the land. The valuator says the Government did not pay an excessive price, and it seemed a good bargain.

Mr. W. B. MacKenzie, Chief Engineer, Intercolonial Railway, an appointee of the late Conservative Government, corroborates the valuation of Mr. Read, and says the price paid was a very reasonable one.

MONCTON LAND PURCHASE

A short time previous to 1905, the Intercolonial purchased a strip of land at Moncton. In order to turn the railway tracks into that land it became desirable to purchase a triangular strip.

Instructions to General Manager.

With this object in view, Hon. Mr. Emmerson, then Minister of Railways and Canals, instructed the General Manager, Mr. Pottinger, on 24th October, 1905, to secure the land if the price was reasonable and right. Mr. Emmerson expressed the opinion that now was the time to buy, that they never could be secured cheaper.

Mr. Pottinger swore that the land was necessary for the purposes of the Government, and it could be purchased cheaper than at any time in the future.

Land Valued.

The land was purchased from R. W. Hewson for \$10,500, and when giving evidence before the Public Accounts Committee, Mr. Hewson swore he acted for Matthew Lodge, and that the purchase money, less his charges and commission, was paid to Mr. Lodge. Having secured the land at reasonable figures for Mr. Lodge, it was forthwith transferred to the Government at a reasonable profit, but at a price that the valuator said was a fair one.

Recapitulation.

The Government required the land.

Officials were instructed to purchase it at a reasonable and right price.

A valuation was made by a competent valuator.

The land was purchased at the price fixed by the valuator.

It was a business affair of routine, carried out in a business-like way.

"Arctic" Expedition

Cheapest Expedition Ever Fitted But by the Government—Cost Less than Foster's Expedition in 1886.

THE FACTS OF IT.

Of all the subjects exploited by the Opposition none have received the same circulation as the alleged "Arctic" scandal. Allusions have been made to this vessel and the expedition upon which she was despatched, upon many occasions when political exigency or party purpose might be served. Notwithstanding this, it may be said with perfect accuracy that all the facts relating to this incident have never been published, and few people know the truth of the matter.

Origin of Attack.

On May 15th, 1906, during the discussion of the Estimates of the Marine and Fisheries Department the following item was before the Committee:

"Maintenance and repairs to Government steamers and icebreakers, including steamer 'Arctic,' \$375,000."

During the progress of the discussion, Dr. J. D. Reid, M.P. of Grenville, made the following statement—Hansard, 15th May, 1906, p. 3369, Vol. 11:—

"I, like my hon. friend the Leader of the Opposition, and like a great many more people in this country, am skeptical about that quantity of goods having really been placed on board this Steamer. I find in looking up the Department of Marine and Fisheries that the gross tonnage of the 'Arctic' is given as 762 tons—from this we would have to deduct the space that is occupied by the machinery. I DO NOT BELIEVE THAT THE 'ARCTIC' WOULD CARRY THE TOTAL QUANTITY OF GOODS SAID TO HAVE BEEN PLACED ON BOARD THAT VESSEL. That is my own private opinion. It looks to me as if there had been some mistake. I have estimated that the total weight of these goods, and as far as I can figure it out, there would be 748 net tons of goods placed on board the steamer 'Arctic' on that trip. I have taken the items as given in the Auditor-General's report and figured it up from those."

Supplementary Charges.

It might be added that while the above forms the text of this main charge, Mr. Taylor of Leeds, and Mr. Northrup of Hastings, supplemented it by alleging that "THE QUANTITIES PURCHASED WERE GREATLY IN EXCESS OF THE REQUIREMENTS OF THE EXPEDITION," and "THAT EXTRAVAGANT PRICES HAD BEEN PAID."

Sir Wilfrid Grants Enquiry.

Sir Wilfrid Laurier met the issue promptly and frankly. After alluding to the charges of unnecessary purchases and extravagant prices,—Sir Wilfrid said—Hansard, Vol. II, 1906, 3391-2, May 15th, 1906.

"But a more serious charge has been made, and that is that it was impossible to have placed on board such a quantity of stuff as was paid for. I think the hon. gentleman who spoke last (Dr. Reid) stated that he made some calculations and they would show that the quantity of stock would amount to something over 700 tons, and that it was impossible after the ship had been supplied with coal, to put such a quantity on board. That is a very serious statement to make—and to this the hon. member for Leeds (Mr. Taylor) adds, that this has been done for the purpose of giving a rake-off to somebody. These charges are too serious to be passed over, and I HAVE ONLY TO SAY THAT I AGREE AT ONCE TO THE SUGGESTION MADE A MOMENT AGO BY THE HON. MEMBER FOR LEEDS, WHEN HE SAYS THAT IF HE BE GIVEN A COMMITTEE HE WILL PROVE EVERYTHING THAT HE HAS CHARGED."

I can only say to my hon. friend that I think it my duty, speaking on behalf of the Government to say that THE GOVERNMENT CANNOT ALLOW THESE SERIOUS ACCUSATIONS TO BE MADE WITHOUT GIVING THE HON. GENTLEMAN WHO MADE THEM AN OPPORTUNITY TO SUBSTANTIATE THEM. AND TOMORROW IF THE HON. GENTLEMAN WANTS A COMMITTEE, HE SHALL HAVE ONE. If goods have been bought at extravagant prices we must know it—if it is true, that supplies were bought that were not actually put on board this ship, but have gone elsewhere, it is to the interest not only of the members of this House, but of the members of this Government, to know where they have gone. And if there has been any rake-off in favour of anybody, it is to the interest of the Government that we should know who benefitted by it. THE GOVERNMENT WILL BE PREPARED TO MEET THE SUGGESTION OF HON. GENTLEMEN OPPOSITE THAT WE SHOULD HAVE A FULL AND COMPLETE INVESTIGATION."

Conservatives Shirk the Issue.

The charge, and the Premier's prompt acceptance of the challenge, and his willingness to provide a Committee if the Conservatives wanted one, all occurred on May 15th—YET THE OPPOSITION ALLOWED TWO DAYS TO PASS AND NOTHING FURTHER WAS HEARD OF THE MATTER, AND NO COMMITTEE WAS DEMANDED.

Sir Wilfrid Determined to Investigate.

On May 16th, 1908,—Hansard, II, 1906, p. 3620-1, Sir Wilfrid Laurier moved the following resolution:—

"Whereas specific charges have been made by members of this House from their seats to the effect that the supplies which were purchased by the Department of Marine and Fisheries for the Government Steamer 'Arctic' were not all put on board the said steamer, but were in part diverted for other uses, by, and for the benefit of persons still unknown; and whereas, like charges have also been made that excessive prices were corruptly paid for said supplies; and that in connection therewith pecuniary benefits were received by officials 'of the said department.'"

"A Special Committee be appointed to inquire fully into all the circumstances connected with the purchase of said supplies, the disposal of the same, and the different matters above mentioned, with power to send for persons, papers and records, and to examine witnesses on oath, or affirmation; and that the said Committee do report in full the evidence taken before them and all other proceedings in the reference."

Conservatives Oppose Motion.

Strange to say this motion of the Premier WAS STRENUOUSLY OPPOSED BY THE OPPOSITION, the very men who had been loudest in denunciation and most eager for a Committee of enquiry, were the men who, when the Committee was offered, were not anxious to take advantage of it.

What was the reason of this?

The reason was that for months past the Opposition had indulged in innuendo, insinuation and suggestion of wrong-doing—when invited to make a specific charge, they had not responded. In this case, however, they had been less discreet than usual, and the following specific statements had been made:—

Specific Charges.

1. MORE GOODS HAD BEEN PURCHASED THAN WERE NECESSARY FOR THE EXPEDITION.
2. THESE GOODS HAD BEEN PURCHASED AT EXTRAVAGANT PRICES.
3. MORE GOODS HAD BEEN PURCHASED THAN WOULD CO ABOARD THE VESSEL.

There was no evading the issue. The Opposition had assumed the responsibility of making the charges, and undertook to prove them if given the opportunity. They must either proceed or acknowledge the charges to be without foundation.

Sir Wilfrid Taunts Opposition.

Sir Wilfrid Laurier commenting on the attitude of the Opposition said, *Hansard*, II, 1906, p. 3620—30, May 18th, 1906:

"I am a little better informed than I was when I proposed this motion—I had a suspicion, it is true, but only a suspicion. Now it is absolute knowledge, THAT WHEN HON. GENTLEMEN ON THE OTHER SIDE OF THE HOUSE MAKE CHARGES, THEY ARE TO BE ASSUMED TO BE NOTHING ELSE THAN FROTH AND WILD TALK. Hon. gentlemen on the other side of the House the other day said most emphatically, that in connection with the supplying of a steamer fitted out by the Minister of Marine and Fisheries, of that time, not only a gross violation of principle, not only a gross violation of duty, had been committed, but that there had been larceny committed at the expense of the Government, but when we bring these hon. gentlemen to the task of determining whether or not this was wild talk, or whether it was a statement based upon fact we have the suggestion that after all it amounts to nothing whatever. There is nothing to enquire into. I confess, sir, that in the future, I, at all events, will be wiser than I have been in the past, and when gentlemen on the other side talk as wildly as they do, I shall henceforth realize that no importance is to be attached to their words."

Sir Wilfrid concluded by the following declaration of policy:—

"In my humble judgment nothing is more detrimental to the policy which ought to prevail in this country THAN THAT WE SHOULD ALLOW ANY DISHONEST ACT TO PASS UNNOTICED, WHEN A CHARGE IS MADE, and in that view I again ask the House to agree to this motion and to HAVE THIS CHARGE PROPERLY INVESTIGATED SO AS TO SAY WHETHER IT IS TRUE OR NOT TRUE."

Mr. R. L. Borden moved an amendment to Sir Wilfrid's motion, asking for a committee "to investigate all expenditures of public moneys in the Department of Marine and Fisheries from 30th June 1902, to date."

Attempt to Evade Issue.

This was a glaring attempt to evade the issue. The position of the matter to date was:—

1. Clear cut definite charges.
2. A promise to prove them if a committee be appointed.
3. Appointment of Committee by the Premier.

Now comes the Leader of the Opposition with an amendment for a rambling committee of enquiry of the drag-net variety.

This amendment was pressed to a division, and Mr. Borden and the very gentlemen who asked for a committee, voted in its favour. WHICH MEANT THAT THEY OPPOSED THE APPOINTMENT OF THE VERY COMMITTEE THEY HAD DEMANDED.

Sir Wilfrid's motion for a committee as originally promised, was then put to a vote and carried unanimously by the House.

Committee Named.

Sir Wilfrid, after consultation with Mr. R. L. Borden, named the following committee of investigation:—

Messrs. McLean, Lunenburg, Lib., Carvell, Lib., Demers, Lib., Pardee, Lib., McCraney, Lib., Macpherson, Lib., Bennett, Con., Bergeron, Con., Northrup, Con., Stockton, Con.

Events have been related in their chronological order. Then followed the sitting of the committee, taking of evidence and production of documents. Every facility was at the disposal of the committee to elicit the facts, AND THE OPPOSITION MEMBERS WERE GIVEN EVERY OPPORTUNITY TO PROVE THEIR CHARGES.

Objects of "Arctic" Expedition.

The object of the expedition was to proceed to the northern waters around Hudson Bay, Baffins Bay, Davis Strait, and other waters adjacent to the northern portion of the American continent, and exercise Canadian sovereignty, collect cus-

toms dues and generally to establish Canadian rights to northern waters and islands. Incidentally, a body of Royal Northwest Police and their supplies were taken to a point on Hudson Bay.

Length of Voyage.

It was estimated that the voyage would last three years, and the "Arctic" was provisioned accordingly. In consequence of a breakdown in her machinery the vessel returned after one year, WITH TWO-THIRDS OF HER SUPPLIES INTACT, ON BOARD.

Attention is directed at this point to the importance of outfitting a vessel destined for a voyage to the North, with due regard to the ordinary risks of such an undertaking. By some unforeseen accident common in northern latitudes, the vessel might have been compelled to remain longer than ordinarily contemplated. This contingency was guarded by provisioning for three years, although it was not intended that the voyage would last that long. This point is of importance in discussing the outfitting of the "Arctic" because criticism has been directed to the fact that she was provisioned for a longer period than was necessary. Had this precaution been neglected, criticism might, with propriety, have been directed at the Department, had lives been sacrificed.

Results of Investigation.

The committee sat, heard witnesses, examined original documents, and went thoroughly into the whole matter, from the beginning to the end, and found the following state of things testified to under oath.

Precautions Taken.

The officials of the Marine and Fisheries Department surrounded the outfitting, purchasing and putting on board of the stores with every possible safeguard.

Captain Bernier in charge of the expedition, a navigator of great experience in northern waters, submitted to the department his estimates of what was necessary for 40 men for 3 years, and he based his calculations on three similar expeditions; one, that of Capt. Scott (English) to the Antarctic Steamer Gauss (German) to the Antarctic and the U. S. expedition in the Mary and Helen to Behring Sea.

The Department of Marine and Fisheries sent letters to well known merchants, asking them if they desired to supply articles in accordance with the requisitions of Captain Bernier, stating that THE DEPARTMENT WOULD EXPECT THEM TO SUPPLY THESE GOODS AT THE GOING MARKET PRICES. The evidence proved that with one trifling exception, THE GOODS SUPPLIED WERE OF GOOD QUALITY, AND WERE CHARGED AND PAID FOR AT MARKET PRICES.

The most serious charge was that the supplies purchased were never put on board the vessel. In this regard the Government took every possible precaution. Capt. Bernier himself says he personally checked the items as they arrived at the vessel, and supervised their transfer to the hold. In this duty he was assisted by a purser, Mr. Weeks, and a special clerk, Mr. Moffet. The invoices were checked and O.K'd by these men. In addition, Sir Wilfrid Laurier sent down Col. White of the R. N. W. M. Police, and Mr. J. E. B. Boudreau, to check the goods and inquire into their quality. Mr. Boudreau was furnished with duplicate orders, and his instructions in writing from the Deputy Minister conclude with these words:—

"THE MAIN OBJECT OF YOUR PROCEEDING TO QUEBEC IS, THEREFORE, TO SEE THAT THE QUANTITY AND QUALITY OF THE STORES ARE CORRECT."

Messrs. Weeks and Moffet kept tabs of the goods on pads, and these pads were checked off by Mr. Boudreau, and placed in evidence before the committee.

Upon the return of the vessel, Mr. Weeks, the purser, compared what was on board with the account of what had been used AND THE TWO TALLIED WITH THE ORIGINAL PURCHASE, CONCLUSIVELY PROVING THAT EVERY DOLLAR OF GOODS PURCHASED WENT ON BOARD THE VESSEL. Watchmen were on board day and night so that it was impossible to remove anything from the vessel after it once went on board.

Committee's Findings.

The select committee reported as follows:—

"That in view of the contemplated expedition of over three years, and of the hardships and contingencies naturally attendant upon such a voyage, and the impossibility of replenishing stores, the quantity and variety of stores, merchandise and supplies and provisions WERE REASONABLE AND NECESSARY AND WERE OF THE BEST QUALITY."

"That all the stores, merchandise supplies and provisions purchased by the Department of Marine and Fisheries for the said Steamer, and for the purpose of the said expedition to such water WERE PLACED ON BOARD, and the said Steamer was capable of carrying holding and accommodating AND DID CARRY, HOLD AND ACCOMMODATE ALL THE SAID STORES, MERCHANDISE SUPPLIES AND PROVISIONS, in addition to, and exclusive of any stores carried for and on account of the North West Mounted Police service."

"NO PART OR PORTION OF THE SAID STORES, MERCHANDISE SUPPLIES AND PROVISIONS WERE, IN WHOLE OR IN PART, IMPROPERLY DIVERTED FOR USES OTHER THAN ORIGINALLY CONTEMPLATED, by, or for the profit of any person or persons;

"THAT FAIR AND REASONABLE PRICES were paid for the said stores, merchandise, supplies and provisions, WITH THE EXCEPTION of a quantity of tobacco purchased in Quebec, the particulars of which are as follows:—

| | |
|----------------------------------|---------|
| 805 lbs. smoking tobacco at..... | 95 cts. |
| 200 " chewing " | 78 " |

The amount paid for said two quantities of tobacco, the committee find to have been excessive

"That no officers, agents or servants of the Department of Marine and Fisheries unjustly, unlawfully or corruptly profited in connection with the purchase or disposition of any of the stores, merchandise supplies and provisions, purchased and placed on board the said Steamer "Arctic."

"That all stores merchandise supplies and provisions NOT CONSUMED DURING THE PROGRESS OF THE EXPEDITION of the said Steamer "Arctic," after making due allowance for the depreciation in quantities by reason of natural and unavoidable causes, ARE NOW IN POSSESSION OF, AND UNDER THE CONTROL OF THE DEPARTMENT OF MARINE AND FISHERIES."

Charges Failed for Want of Evidence.

Each charge failed for want of evidence—IT WAS FOUND THAT THE PRICES PAID WERE REASONABLE AND JUST, WITH ONE TRIFLING EXCEPTION.

IT WAS DEMONSTRATED THAT NO EXCESSIVE QUANTITIES WERE ORDERED.

IT WAS CONCLUSIVELY PROVED THAT ALL THE GOODS PURCHASED DULY REACHED THE VESSEL, AND WERE CHECKED UP ON BOARD.

Those who read this will know what credence to place in the "Arctic scandal". They will know that the Conservatives, after being given every opportunity to prove extravagance or wrong doing, utterly failed to prove either. In future, when the Arctic affair is alluded to, it will be remembered that the "Arctic" was a case in which certain charges were made in the House, and that when the time came to prove them THE CONSERVATIVES FOUND THEMSELVES UNEQUAL TO THE TASK.

Everything Possible Safeguarded.

Could any Government do more to protect the public interest than was done in this case?

Captain Bernier prepared the requisitions based upon other similar expeditions. Marchants were invited to fill the requisitions with goods of the best quality at the lowest market prices, and they were informed that unless these conditions were observed the goods would be returned at their expense.

Every package was checked and sampled as it reached the vessel, passing the test of the officials, especially charged with that duty, and finally receiving the additional O. K. of Captain Bernier, Col. White and Mr. Boudreau.

Finally, upon the return of the vessel two-thirds of these supplies were found on board, and passed into the department stores after being checked up by the purser Mr. Weeks.

Compared with other expeditions that of the "Aretic" was conducted at a much smaller cost, and the rations per man were even lower than was provided by order in council for Government rations, passed by the Conservative Government years ago. See table "A".

The cost of the expedition fitted out for a similar voyage in 1886, when Mr. Foster was Minister of Marine and Fisheries, was \$1.30 per man per day—the cost of the "Aretic" expedition was \$1.03 per man per day. See table "B".

Other Similar Expeditions.

| | ENGLISH. | GERMAN. | CANADIAN. |
|---------------|----------------|----------------|----------------|
| | 50 men, 3 yrs. | 26 men, 3 yrs. | 48 men, 3 yrs. |
| Meat..... | 111,500 | lbs. 104,157 | lbs. 81,750 |
| Biscuits..... | 56,000 | " | 34,000 |
| Flour..... | 42,000 | " | 30,000 |
| Sugar..... | 15,000 | " | 15,000 |
| Butter..... | 7,500 | " | 5,200 |
| Milk..... | 8,000 | " | 4,800 |
| Lard..... | 15,000 | " | 2,000 |
| | | 5,148 | " |

Liquors.

| ENGLISH. | CANADIAN. |
|---|--|
| 10,000 bottles Champagne, Whiskey, Brandy and various wines. Rum, 800 gals. | 10 cases Champagne, 10 cases P. Wine, 5 cases Brandy, 1 bbl. Whiskey, Rum, 100 gals. |

| | |
|------------------------------|-----------|
| English expedition cost..... | \$600,000 |
| Aretic "..... | 155,451 |

Table "A"

COMPARATIVE RATIONS

| | |
|--|---|
| Government rations of meat, gives 1 lb. 8 oz. per man. | 48 men, 1,200 days equals 86,400 lbs. or 4,650 lbs. short. |
| Government rations, biscuits, gives 1 lb. 4 oz. per man. | 48 men, 1,200 days equals 72,000 lbs. or 38,000 lbs. short. |
| Government rations, flour, gives 1 lb. 4 oz. per man. | 48 men, 1,200 days equals 72,000 lbs. or 42,000 lbs. short. |
| Government rations, sugar gives 4 oz. per man. | 48 men, 1,200 days equals 14,400 lbs. or 600 lbs. short. |
| Government rations, butter, gives 2 oz. per man. | 48 men, 1,200 days equals 7,200 lbs. or 2,000 lbs. short. |

Table "B"

COMPARATIVE COST

| | |
|--|-----------------|
| Expedition, 1886, when Hon. G. E. Foster was Minister of Marine and Fisheries. | |
| 1886—Neptune..... | \$1.30 per man. |
| 1897—Diana..... | .86 " " |
| 1903—Neptune..... | 1.14 " " |
| 1904—Aretic..... | 1.03 " " |

COSTLY IMMIGRATION?

**Money well Spent which Produced Results.
A Desolation Transformed into a Para-
dise by an Intelligent Policy which
Induced Immigrants of the Best
Kind to Come to Canada.**

For Conservatives to criticise the Liberal policy of immigration is the most astounding circumstance. From 1878 until 1896, eighteen years, Tories expended \$4,299,600 on immigration, and with no practical results. For the last five years they were in office immigration declined. See this table:—

| | |
|-------------------|----------------|
| 1892..... | 27,898 |
| 1893..... | 29,632 |
| 1894..... | 20,829 |
| 1895..... | 18,790 |
| 1896..... | 16,835 |
| Total..... | 113,984 |

Objection is made to the cost of immigration. The business of a nation is susceptible to the same rules as that of an individual. If it increases in volume, expenses increase in proportion. But what has been the proportion of increase? In 1896 it cost the Conservative Government \$175,000 to bring in 16,000 immigrants. In 1907-8, it cost the Liberals \$1,075,000 to bring in 260,000—that is, the expenses of immigration increased six times over the amount spent in 1896, and sixteen times the number of immigrants were brought in.

This is only one feature of the case. In 1896, the total revenue of the department of the Interior (except school lands) was \$203,000. In 1907-8 the total revenue of the Department of the Interior (except school lands) exceeded \$2,500,000—that is, in 1896 the cost of immigration under Conservatives almost reached the entire revenue of the Department from all sources excepting as above, while in 1907-8 the revenue of the Department was TWO AND A HALF TIMES THE AMOUNT SPENT ON IMMIGRATION.

This is administration, which the Conservatives describe as costly. What term would they apply to the shiftless, no-result policy adopted by themselves for eighteen years?

Where would Canada be in the list of nations to-day had the Conservatives continued their policy up to the present time?

In the first seven months of the fiscal year 1907-8, the Liberals brought in 211,859, of which 104,864 were British subjects.—ALMOST DOUBLING IN THOSE FEW MONTHS THE TOTAL FIGURES OF THE CONSERVATIVES FOR THE LAST FOUR YEARS THEY WERE IN OFFICE.

The Northwest, which is the backbone and granary of the country, was a desolation under Conservative administration. Notwithstanding they expended over \$4,000,000 for immigration, they secured no results worthy the name.

When the Liberals assumed office, they adopted an intelligent, energetic and intensely practical policy, which brought the result that any enthusiastic, well-directed effort would accomplish. Settlers of the better class arrived each year in constantly increasing numbers until last year, when the number of arrivals exceeded 260,000.

Whatever prosperity has come to the people of Canada as a direct result of the opening up of the great west, **MUST BE CREDITED TO THE LIBERAL ADMINISTRATION.** What a change has been brought about in twelve years! There was such sparse settlement in the west in Conservative days that Mr. E. Blake said the Canadian Pacific would not make money enough to pay for axle grease; and to-day the revenue of this company is almost equal to that of the Dominion of Canada, and is twice the total revenue of the Dominion when the Conservatives ceased to govern.

A desolate wilderness has been transformed into a blossoming garden by the adoption of an intelligent, well-administered policy. To such an extent has settlement spread throughout the west, **THAT TWO NEW PROVINCES HAVE BEEN CREATED,** peopled by a progressive, enterprising, contented people and two transcontinental lines are racing each other across the continent in response to the great demand for facilities to move the crops. Another railway to Hudson Bay is demanded by the people, all of which is the best of evidence that for **EIGHTEEN YEARS THE COUNTRY WAS NEGLECTED,** and progress retarded by the Conservatives, and is eloquent in praise of the Liberal government, **WHOSE FORESIGHT GRASPED THE CONDITIONS AND SOLVED THE PROBLEM OF COLONIZATION.**

Historians will record that the real birthday of Canada was the year 1896, when the Liberal Government came into power and recognized the undeveloped, dormant immensity of the Northwest, with its endless resources, and applied to them a policy which vitalized and brought into existence immeasurable possibilities, and established the foundation for a teeming population of enterprising, wealth-producing citizens. To characterize the administration of the Northwest as costly is eminently unjust to the men **WHO HAD THE FORESIGHT TO FRAME THE RIGHT POLICY, AND THE COURAGE TO APPLY IT.**

THE MONTCALM OUTFIT

This is the Largest and Strongest Boat in the Fleet, and is Selected for Use when Distinguished Guests are Entertained.

Much has been said about a few hundred dollars worth of silver and glassware purchased for the equipment of this vessel. It is made to appear that these articles are for the use of the crew, and that the boat is outfitted upon a scale luxurious and unnecessary. What are the facts?

The Montcalm is the boat selected to take His Excellency and other distinguished guests of the country to their destination, when visiting the coast. The representatives of the shipping interests of Montreal, members of Parliament and others, quite often have occasion to use this vessel, and suitable preparation was made for the accommodation of such guests. At one time there were 120 members of the Shipping Federation on board and silver and crockery had to be hired for the occasion.

The department of Marine and Fisheries decided to equip the boat with suitable furnishings for occasions such as the above and a moderate quantity of silver and glassware was purchased. This was in addition to the ordinary supplies on the boat, and was only for use on special occasions.

The precaution was taken to keep the silver under lock and key, and the instructions were that it was not to be used unless the Governor-General or some other distinguished visitor was on board. The price paid for this silverware was 10 per cent cheaper than it could be purchased in Ottawa. This was the evidence before the public accounts committee. It appears that there is silverware on some of the older vessels which was purchased by the government twenty-five years ago.

The Conservatives in the House carefully overlooked the facts as stated above, but criticised this expenditure as if it had been incurred for use of the crew of the Montcalm, whereas the contrary was the case.

North Atlantic Trading Company

Wealthy Aggregation of Booking Agents who Combined for the Purpose of Stimulating Immigration from Continental Europe to Canada

Bonus Restricted to Agriculturalists and Domestic Servants

Contract Cancelled because Company Failed to Live up to One of its Important Provisoes

Desirable Immigrants were Secured

The North Atlantic Trading Company has been exploited by the Conservatives as one of their choice scandals. The subject was introduced to the House by Mr. Foster in the session of 1906, and his presentation of it was accompanied by the usual assortment of exaggerations, misrepresentations and false statements which usually characterize his charges of scandal against the present government.

Documents and Officials Examined.

All the documents in connection with the case bearing upon the dealings of the government with this company were before the House. Every officer of the department who had taken part in any of the negotiations was thoroughly examined before the public accounts committee, Mr. W. T. R. Preston was sent from England, and with Mr. Smart, ex-deputy Minister of the Interior, was examined most exhaustively by the committee, with the result that all the facts were well known, all the documents had been examined, and no man knew the history of the transaction better than Mr. Foster, and yet this gentleman reconciled it with his conscience to present to the House A DISTORTED, MISLEADING AND ABSOLUTELY FALSE STATEMENT OF THE CASE.

Mr. Foster when presenting the matter to the House disregarded the facts as disclosed in evidence and by the written documents, but seized the opportunity to make a vicious attack upon Hon. Mr. Sifton, who was absent from the House, and insinuated that he and some officials of the Interior Department were interested in the contract—MR. FOSTER HAD NOT THE COURAGE TO MAKE ANY DIRECT CHARGE.

Foster's False Statement as to Bonus Paid.

Mr. Foster also stated that the North Atlantic Trading Company was paid a bonus upon every immigrant coming from the countries covered by the contract, without any inquiries being made as to whether the Company were instrumental in bringing them or not. These were his words:—

"Just think of what it is—you draw a line around a certain portion of continental Europe; within that line is a fixed field for work, for any and every agency to bring in immigrants to Canada—But, no matter how many agencies work, no matter what the local or general influences are that send people to Canada, when they come here, on every one of them the Government says they will pay \$5 per head to the North Atlantic Trading Company."

THIS STATEMENT IS FALSE IN EVERY PARTICULAR—THE CONTRACT CONTAINS NO SUCH PROVISION, NEITHER WAS THE BONUS PAID AS INDICATED.

Parliament Duly Authorized Payment.

Mr. Foster further stated that the payment to the Company was not authorized by Parliament—THIS IS ALSO FALSE, FOR PARLIAMENT VOTED EVERY DOLLAR OF THE MONEY FOR THE SPECIFIC PURPOSE FOR WHICH IT WAS USED.

Reasons Leading to Formation of Company.

What led up to the formation of the North Atlantic Trading Company? During the eighteen years the Conservative Government were in power previous to 1896, the immigration policy was upon the same lines. They paid bonuses to booking agents and ticket sellers. When Mr. Sifton became Minister of the Interior in 1896, that was the system he found in force. Under the Conservatives it had not been successful—although they discriminated against British immigrants by paying for them a bonus of \$1.75 while they paid a bonus upon continental immigrants of \$5.00 a head.

Continental immigration under the Conservatives was practically at a standstill, as the following table will show:—

| Continental Immigration. | | | |
|--------------------------|--------|------|-------|
| 1882 | 12,083 | 1890 | |
| 1883 | 9,677 | 1891 | 2,938 |
| 1884 | 6,151 | 1892 | 7,607 |
| 1885 | 3,072 | 1893 | 8,360 |
| 1886 | 3,072 | 1893 | 9,562 |
| 1887 | 12,376 | 1895 | 4,825 |
| 1888 | 12,962 | 1896 | 3,834 |
| 1889 | 4,320 | | 4,451 |

Strict Laws of Continental Europe.

It must be remembered that in certain parts of continental Europe THE LAW IS VERY STRICT AS TO OFFERING INDUCEMENTS TO CITIZENS TO LEAVE THE COUNTRY.—The system of having local Canadian agents was impossible in consequence of the risk of imprisonment, and as there is no habeas corpus in any of these countries, an agent of the government who might think he was conducting a legitimate business, would be liable to imprisonment for an indefinite term. Under these circumstances the government could not employ paid agents in Germany, and continued the system of giving bonuses to steamship agents.

Mr. Sifton found that dealing with INDIVIDUAL BOOKING AGENTS WAS NOT PRODUCING SATISFACTORY RESULTS, and it was decided to adopt another method. Instead of dealing with scattered booking agents, HE DETERMINED TO DEAL WITH ONE FIRM, COVERING A SPECIFIC TERRITORY IN WHICH A PROPAGANDA IN THE INTEREST OF CANADA WAS TO BE CARRIED ON.

Various Agreements Entered Into.

Therefore, on 4th November, 1899, an agreement was completed between Mr. Preston, acting for the Department of the Interior, and a syndicate known as the North Atlantic Trading Company, by which the Company undertook to carry on emigration work in Russia, Germany, Austria, Roumania, Switzerland, Northern Italy, Holland, Belgium, and France. The bonus to be paid on male or females destined for Manitoba and the North West Territories, 12 years of age or over as follows:—17s 6d on any number less than 10,000 in each year; 20s on any number between 10,000 and 15,000, and 25s on any number exceeding 15,000 in each year. Heads of families to be possessed of at least \$100.00.

The money qualification was objected to by the Company on 15th April, 1900, and the agreement was revised in this way. The government agreed to pay 20s on every bona fide agricultural immigrant and domestic servant, except in the case of Galicians and Buckowinians, when the head of the family must possess \$200; \$50 to suffice for man and wife without children, \$100 where the family did not exceed two. Unmarried persons of 16 years and over must possess \$25 in addition

to transportation. Norway, Sweden, and Denmark were added to the agreement, and the Company agreed to expend \$10,000 per annum in advertising Canada.

By order in council 1st May, 1902, another change was made. The Company was to receive £1 for each man, woman and child of the agricultural class only, and for each girl 18 years of age and over of the domestic class from the countries mentioned in the agreement in force prior to January, 1902. Settlers from Galicia, Roumania, Servia and Russia to have money qualification, man and wife \$100; \$25.00 additional for each child, maximum amount for family \$200; unmarried men and women, \$25.00 each. The government agreed to make a grant of £750 for special work in Norway, Sweden and Finland for two years, on condition that the Company spend at least £1,000 in this special work. The Company deposited £1,000 with the government on 14th April, 1902, as a guarantee of good faith. Northern Italy, Roumania, Servia and Belgium were subsequently removed from the operation of the agreement.

After this agreement had been in force some time, the Company experienced a difficulty owing to the financial restrictions imposed, in making a satisfactory adjustment of accounts with the government, and suggested that all immigrants of all nationalities should be placed on the same footing, but that a restriction be placed on the number of bonus subjects from certain countries.

Final Contract Recently Cancelled.

The final contract was made on 28th November, 1904, which stipulated that no bonus should be paid upon immigrants in excess of 5,000 from Galicia, Bukovina and Poland, (excepting Germans) in any one year.

THE COMPANY AGREED TO EXPEND THE SUM OF \$15,000 ANNUALLY IN ITS OPERATIONS, to be accounted for each year by receipted vouchers, sworn statements or other evidence of proof. The Company agreed to carry on an active educative work in the agricultural districts covered by the contract, by—ADVERTISEMENTS IN THE PUBLIC PRESS, BY PAMPHLETS PUBLISHED IN THE VARIOUS LANGUAGES OF THE COUNTRIES COVERED BY THE CONTRACT, AND BY PERSONAL CANVAS BY REPRESENTATIVES OF THE COMPANY. The contract contained a clause, that to assist and encourage the Company in a special effort in Norway, Sweden and Finland during the next three years, the government shall make a grant to the Company of £750 a year for special work in these countries ON CONDITION THAT THE COMPANY UNDERTAKES TO SPEND A FURTHER AMOUNT OF £1,000 A YEAR FOR SUCH SPECIAL WORK.

Department Made Out Bonus Account.

It was agreed that the Government should keep a record of all arrivals from countries covered by the contract, and of those upon whom the Company was entitled to bonus.

The above shows the history of the Company and the changes made from time to time in the contract to conform with existing conditions.

Company's Operations Published in Blue Books.

This Company has practically been doing business with the government since 1899, AND THE ANNUAL REPORTS OF THE MINISTER OF THE INTERIOR FOR 1901-2 RELATE WITH GREAT PARTICULARITY JUST WHAT HAS BEEN DONE, IN FACT THE CONTRACT WITH THE NORTH ATLANTIC TRADING COMPANY WAS REFERRED TO, and the very terms given in full, and the deputy Minister stated that the work was better done and with more satisfactory results than ever before.

WHAT THEN BECOMES OF THE SLANDEROUS IGNORANT STATEMENT OF MR. FOSTER THAT PARLIAMENT. NEW NOTHING ABOUT IT, when this very report is given free to every member of the House? His charge that Parliament knew nothing about the contract with the North Atlantic Trading Company IS MALICIOUSLY FALSE, AND HE KNEW IT SO TO BE WHEN HE MADE IT.

Parliament Duly Appropriated The Money.

Mr. Foster also said the contract was made without Parliament having appropriated the money. **THIS IS EQUALLY FALSE WITH THE OTHER.** The money was appropriated to pay the bonus due under the contract by the supply bill of every year—1899, 1900, 1901, 1902, 1903, 1904, 1905 and 1906, AND HAD MR. FOSTER BEEN A MEMBER OF THE HOUSE FROM 1900 TO 1904, HE WOULD HAVE KNOWN THIS, BUT THE ELECTORS OF HIS OWN PROVINCE REJECTED HIM IN 1900. Had he been a member of the House when the report of the Minister of the Interior of 1901-2 was laid on the table, he would have been better informed, AND NOT HAVE COMMITTED HIMSELF TO A STATEMENT WHICH STAMPS HIS UTTERANCES AS UNRELIABLE.

Bonus only Paid on Small Proportion of Arrivals.

Mr. Foster stated that the Government paid bonus to the Company upon every immigrant arriving from Continental European countries covered by the Company's contract. **THIS STATEMENT IS JUST AS FALSE AS THE OTHERS.** The following table shows the total arrivals of immigrants from the countries covered by the contract, and it shows also the comparatively small proportion of arrivals upon which bonus was paid.

| Year. | Arrivals. | Allowed. | Amount Paid. |
|--------------------------------------|-----------|----------|--------------|
| 1899 and 1st six months of 1900..... | 32,949 | 3,432 | \$ 5,932.35 |
| 1900-1901..... | 19,352 | 7,540 | 23,817.59 |
| 1901-1902..... | 23,732 | 10,445 | 35,916.00 |
| 1902-1903..... | 37,099 | 14,873 | 34,553.33 |
| 1903-1904..... | 34,728 | 12,991 | 18,933.33 |
| 1904-1905..... | 37,255 | 11,881 | 87,173.88 |
| 1905-1906..... | 44,349 | 8,741 | 79,684.54 |
| 1906-1907..... | 34,217 | 1,050 | 61,234.83 |
| Total | 262,881 | 70,953 | \$367,245.85 |

It appears from this table that OUT OF 262,881 IMMIGRANTS COMING FROM COUNTRIES COVERED BY THE CONTRACT OF THE COMPANY, THE GOVERNMENT ONLY PAID BONUS UPON 70,953, which not only stamps Mr. Foster's statement as false, but it proves that BONUS WAS ONLY PAID UPON THE PARTICULAR CLASS UPON WHICH IT HAD BEEN AGREED TO PAY BONUS. The large amount of the last payment is accounted for by the fact that there were a large number of disputed claims for bonus, and in the final adjustments upon cancellation of the contract, everything was paid up in full and COMPLETE SETTLEMENT MADE and the account closed.

Official Figures Disproves Foster's Charge.

Mr. Foster made another statement which it is necessary to disprove by official figures. He said that the Government handed over to the North Atlantic Trading Company \$5.00 per head upon every immigrant arriving in the country without regard to anything the Company may have done in inducing the immigrant to come. The following table is interesting in two particulars. FIRST, BECAUSE IT UTTERLY DISPROVES HIS STATEMENT, AND SECONDLY, IT SHOWS THE SPLENDID WORK OF IMMIGRATION PERFORMED BY THE LIBERAL GOVERNMENT SINCE 1896.

Total Immigration to Canada.

| | British. | Continental. | U. S. | Total. |
|-------------------------|----------------|----------------|----------------|------------------|
| Calendar year 1890..... | 12,384 | 4,451 | no returns | 21,716 |
| Calendar year 1897..... | 11,383 | 7,981 | 2,412 | 16,835 |
| Calendar year 1898..... | 11,173 | 11,608 | 9,119 | 31,900 |
| Calendar year 1899..... | 10,660 | 21,938 | 11,945 | 44,543 |
| 1st six mos. 1900..... | 5,141 | 10,211 | 8,543 | 23,895 |
| Fiscal year 1900-1..... | 11,810 | 19,352 | 17,987 | 49,149 |
| Fiscal year 1901-2..... | 17,259 | 23,732 | 26,388 | 67,379 |
| Fiscal year 1902-3..... | 41,792 | 37,099 | 49,473 | 128,364 |
| Fiscal year 1903-4..... | 50,374 | 34,728 | 45,229 | 130,331 |
| Fiscal year 1904-5..... | 65,359 | 37,253 | 43,552 | 146,268 |
| 9 months 1906-7..... | 55,791 | 34,217 | 34,659 | 124,667 |
| 7 months 1907-8..... | 104,864 | 67,331 | 39,664 | 211,859 |
| Total..... | 484,780 | 354,192 | 346,990 | 1,185,968 |

THE ABSURDITY OF MR. FOSTER'S CONTENTION WILL BE MANIFEST BY A STUDY OF THE ABOVE FIGURES, but this gentleman is so reckless in his allegations, and pays so little regard to the truth, that it is not remarkable.

Company Spent More Money Than Required to do.

Doubt was cast upon whether the Company had expended the \$15,000 a year, and the £1,000 required to be spent on special work in Scandinavia. The Government sent the Chief Accountant of the Interior Department to Europe to audit the books of the Company. He reported that the Company had FORMED A WIDESPREAD PROPOGANDA IN ADVERTISING AND PRINTING AND DISTRIBUTING SUITABLE LITERATURE, AND ALSO BY WELL ORGANIZED AGENCIES THROUGHOUT THE CONTINENT. He found that they had expended in the years 1903 to 1906, \$24,428.61 IN EXCESS OF WHAT THEIR CONTRACT CALLED FOR. That is, they were required to spend \$45,000 on the continent and \$15,000 in Scandinavia during the period mentioned, and they actually expended \$84,428.61, as follows:

| | |
|-------------------|---------------------|
| 1903-1904..... | \$ 29,039.89 |
| 1904-1905..... | 29,759.18 |
| 1905-1906..... | 25,631.54 |
| Total..... | \$ 84,428.61 |

Contract Cancelled.

On April 14th, 1906, Hon. Mr. Oliver, Minister of the Interior, notified Lord Strathcona that he proposed to cancel the contract upon the ground that having given an additional inducement to the Company to secure immigrants from Norway, Sweden and Finland, AND THAT THE ARRIVALS FROM THESE COUNTRIES SHOW A CONTINUOUS FALLING OFF, the Company had failed to carry out its obligations in good faith, AND ON NOVEMBER 30th, 1906, THE CONTRACT TERMINATED.

For a number of years the Company succeeded in inducing immigrants to come to Canada and was paid a bonus for so doing, according to the contract. When it appeared THAT THE TERMS OF THE CONTRACT WERE NOT BEING LIVED UP TO, THE CONTRACT WAS CANCELLED. It was from first to last an important and beneficial ingredient in the immigration policy of the government. NO MEMBER OF THE GOVERNMENT OR ANY EMPLOYEE HAD ANY INTEREST IN THE MATTER OF A FINANCIAL CHARACTER, and when the contract ceased to be of any value to the government, it was cancelled.

Both Sides Properly Pledged to Secrecy.

Much has been made of the fact that the names of the members of the North Atlantic Trading Company have been kept secret. This Company was composed of an aggregation of influential booking agents, in a large way of business. TO DISCLOSE THEIR NAMES MIGHT RENDER THEM LIABLE TO PROSECUTION, FOR THE REASON THAT IT IS CONTRARY TO THE LAWS TO INDUCE PEOPLE TO EMIGRATE FROM CONTINENTAL EUROPE. A pledge of secrecy was exacted by the members of the Company. THIS PLEDGE WAS CONCEDED BY THE OFFICIALS WHO MADE THE CONTRACT AND CONFIRMED BY MR. SIFTON, AND THE GOVERNMENT FELT IN HONOUR BOUND TO KEEP IT INVIOLEATE. Later, Sir Wilfrid Laurier offered to give the names to Mr. Borden, if he desired them—but Mr. Borden declined the offer.

Company Did Good Work for Canada.

The North Atlantic Trading Company while in operation DID GOOD WORK FOR CANADA, for this work an ordinary bonus was paid upon the class of immigrants of the agricultural and domestic class so much desired in this country, but when the arrivals fell off from certain countries from which the Government desired to draw immigrants, and in view of the fact that special inducements had been given to encourage the work in those countries, the contract was ended.

NO CONCEALMENT

All Original Documents are Open to the House Provided they are Secured in Accordance with the Rules of Parliament.

A great deal has been said about the non-production of original documents. Sir Wilfrid Laurier stated very clearly in the House that, subject to such consideration of the public policy as can be properly urged in any case, members of Parliament have the right of access to all the records of the government, and to all the archives.

This proposition, based upon parliamentary procedure did not suit the opposition. They wanted to create a grievance, and in applying for original documents they declined to say that they were necessary to the matter in hand. It must be obvious to the casual thinker even, that the public service would soon be paralyzed if all the original files were transferred from the departments to the House. When a document is brought down to the House it becomes part of the records, and there it must stay, until restored to its former place by a vote of the House. For this reason it is customary in making these returns to move for copies only.

In some cases it is desirable to produce the original document, and Sir Wilfrid Laurier recognizing this, stated that if the member moving for a return would state that he could not proceed with the matter in hand without the original, then it would be brought down. Members of the Opposition stubbornly refused to add this request, but insisted upon original files coming down as a matter of course.

Sir Wilfrid Laurier maintained his attitude although there was considerable obstruction to supply, but finally the absurd feature of the case must have been so apparent to the Opposition that they concluded in certain specific instances to say that they could not discuss the matters intelligently in the absence of the original documents, and the government at once laid them upon the table.

This is the whole story of original documents. There was no desire to conceal anything for there was nothing to conceal, but a great deal of political capital was made out of the alleged refusal of the government to produce these documents.

Had the Opposition proceeded upon the lines of recognized parliamentary practice, there would not have been a moment's delay in producing the documents and much time and money would have been saved to the people which the obstruction tactics of the Conservatives were responsible for.

THE PUBLIC DOMAIN

Conservative Government Gave away Millions of Acres to Corporations, and Drove the Settlers Out of the Country. Liberal Government Has Never Given an Acre of Land to a Railway Corporation.

The Liberals have always advocated that the land should be given to the settler and not to the railway company. This policy has been literally carried out. What a contrast to the days when the Conservatives were in power. In eighteen years the Conservative government voted to railway corporations

56,087,072 Acres

In twelve years the Liberals voted to railway corporations—

Not One Acre

In eighteen years the Conservatives alienated 30,622,444 which were earned, that is the government lost entire control of them. They disposed of lands absolutely TO SPECULATORS, AND OTHERWISE THAN TO SETTLERS, TO THE EXTENT OF 31,500,000 ACRES.

The total quantity of land which they gave to actual settlers in the same period for homestead and preemption was less than

9,952,840 Acres

Altogether the Liberal government; while not giving one acre to a railway corporation, has disposed of 2,000,000 acres otherwise than to actual settlers. This includes 500,000 acres to an Irrigation Company which must spend \$1,000,000 on the property and then pay \$1.00 an acre. Also 250,000 acres to the Saskatchewan Valley Land Company, which of itself was the best operation in land the government ever entered upon, particulars of which will be found in another place in these pages. It includes all the half breed script, and a few sales that could hardly be included in sales to individual settlers.

To the actual settler and homesteader in individual amounts of 160 acres or there abouts the Liberal government has given in twelve years in round figures.

35,501,600 Acres

Compare the following tables being the history of the Conservative government for eighteen years, and the history of the Liberal government for twelve years.

Homesteads Under Conservative Rule.

| | | | |
|-----------|-------|-----------|-------|
| 1879..... | 4,068 | 1888..... | 2,655 |
| 1880..... | 2,074 | 1889..... | 4,146 |
| 1881..... | 2,753 | 1890..... | 2,955 |
| 1882..... | 7,483 | 1891..... | 3,523 |
| 1883..... | 6,063 | 1892..... | 4,840 |
| 1884..... | 3,753 | 1893..... | 4,067 |
| 1885..... | 1,858 | 1894..... | 3,209 |
| 1886..... | 2,657 | 1895..... | 2,394 |
| 1887..... | 2,036 | 1896..... | 1,857 |

Total 62,119

Or 9,952,840 Acres

Then examine this table and see the exact performance of the Liberal pledge to keep the lands for the settler.

| Homesteads Under Liberal Rule | |
|-------------------------------|---------|
| 1897 | 2,384 |
| 1898 | 4,848 |
| 1899 | 6,089 |
| 1900—six months | 7,426 |
| 1900-1901 | 8,167 |
| 1901-1902 | 14,673 |
| 1902-1903 | 31,383 |
| 1903-1904 | 26,073 |
| 1904-1905 | 30,819 |
| 1905-1906 | 41,869 |
| 1906-1907—nine months | 21,647 |
| 1907-1908—nine months | 25,682 |
| Total | 221,800 |

Or 35,501,600 Acres

What becomes of the Tory argument that the land has been alienated at ridiculous prices to speculators? The men on these homesteads are the factors contributing to the great crops of the west, and the wealth of the Dominion.

Is not this ample vindication of the claim that the Liberal government promised the land for the settler, **AND THE SETTLER GOT IT?** Is it not satisfactory proof that the pledge to the people to keep the land for the settler, **HAS BEEN AMPLY AND FAITHFULLY REDEEMED.**

In face of these actual figures what becomes of the taunt that the Liberal government has been unfaithful to their pre-election pledges?

The public domain of Canada belongs to the people and the Liberal government recognizes this. The very fact that the people of the west are crying aloud for more railways, and the people of the east for deeper harbours, extended canals, and more and better shipping facilities, is monumental evidence that the Liberal government have placed **THE PEOPLE ON THE LAND**, and the public improvements called for are the natural consequences of this in the proper demand for the wherewithal to move the enormous crops which have resulted.

A crop in sight of 150,000,000 bushels, thousands of harvesters being hurried across the continent, a frenzied call for grain cars, and steamer accommodation on the great lakes, demand for more and greater elevators, all tell the same story that **THE LAND WAS GIVEN TO THE SETTLER AND HE IS MAKING GOOD USE OF IT.**

MARINE BOOK-KEEPING

A New System Adopted Which will Save the Country Hundreds of Thousands of Dollars.

It has consistently been alleged in the House by the Conservatives that the system of bookkeeping in force in the Marine and Fisheries department was not up to date, and not designed to effect economy. It was urged that some other system which could be applied to all the agencies of the department should be adopted. This was done by an expert firm of book-keepers of Montreal, who employed the latest scientific methods, and installed the system by the aid of experts. The men employed exacted big pay for their services, but the saving effected will quickly offset the price paid. The Opposition urged that this improvement be made, and then they objected to the expense. The government have every reason to be gratified at the improvements made in the accountants department of the Marine and Fisheries.

Saskatchewan Valley Land Co.

This was the Best Operation in Land in the Interest of the Settler, Engaged in by the Government.

Who has not heard of the Saskatchewan Valley Land Company? The Conservatives present this as the very embodiment of reckless improvidence on the part of the Interior Department, as an illustration of criminal collusion between the interested parties and Government officials, as a notable example of favour conferred upon capitalists at the expense of the settler, and, generally speaking, it is the basis stone of all attacks upon the administration of Dominion lands.

If ever there was a transaction in government lands, which demonstrated the shrewdness, wisdom, and far-seeing statesmanship of the then Minister of Interior, this is the particular operation which should be mentioned.

If ever there was conducted by officials of the Interior Department a negotiation in which the interests of the country were consulted and safe-guarded, this furnishes the illustration.

If ever there was a case in which onerous conditions were imposed upon the capitalist, as a result of which the settler became the chief beneficiary, this is the example.

If the Conservative party can find nothing in the administration of the public lands to criticize, save and excepting this particular transaction, there cannot be a higher compliment paid to the honesty of administration, or a worthier tribute to the intelligence and business acumen of the ex-Minister of the Interior.

First Bought Railway Lands.

To gain a clear understanding of the position, it must be kept in mind that the Saskatchewan Valley Land people purchased a portion of the land bonus of the Qu'Appelle and Long Lake Railway Company, consisting of odd numbered sections adjoining the ones afterwards purchased by the Saskatchewan Valley Company, from the Government. They were enabled to do this in consequence of the inferior quality of the land, as more fully explained below. So that a short summary of the reasons leading up to the acquisition of the Railway bonus lands, is inseparable from a clear understanding of the case.

Company Assumed Immense Obligations.

The holdings of the Saskatchewan Valley Land Company comprised the following:—

| | |
|--|---------------|
| Bought from the Qu'Appelle and Long Lake Railway Company, being a portion of their land grant..... | 450,000 acres |
| Bought from the Government..... | 250,000 acres |

| | |
|--------------------|----------------------|
| Total | 700,000 acres |
|--------------------|----------------------|

The land purchased from the Qu'Appelle Company consisted of odd numbered sections, and the land purchased from the Government consisted of the even numbered sections.

The area covered by the 700,000 acres above described forms a portion of what is known as the Great American Desert, which crosses the boundary and extends into the North West, East as far as the Soo line of railway, and West, sufficiently far to include the lands under discussion.

The Qu'Appelle and Long Lake Company became entitled in 1890, to a land grant of 6,400 acres a mile for constructing a railway from Regina to Prince Albert, **OF LAND FAIRLY FIT FOR SETTLEMENT.** The Company claimed that they could not find the 1,000,000 acres to which they were entitled in the 2,850,000 acres set apart from which to select, that came within the terms of their agreement, as being fairly fit for settlement. This disability was not corrected even after the area out of which they might select had been increased by several million acres.

Land Unfit for Settlement.

Messrs. Osler, Hammond and Nanton, representing the Company, wrote a letter to Sir Wilfrid Laurier on the 4th of July, 1900, referring to the fact that suit had been entered against the Government in the Exchequer Court, to compel the Government to carry out the terms of the contract with the Railroad Company, AND HAND OVER LAND "FIT FOR SETTLEMENT" WHICH HAD NOT BEEN DONE. Or they expressed their willingness to make a settlement on a cash basis, at \$1.50 per acre.

The Mr. Osler mentioned here is Mr. E. B. Osler, Conservative M.P. for Toronto, and a Director of the Canadian Pacific Railway, and one of the shrewdest and best informed men on western lands in the country. His partner, Mr. Nanton, has been a resident of Winnipeg for twenty-five years, and is a competent judge of western real estate values.

It is important on the subject of the value of this land to say, that it was intimated to the Department at a later date, that \$1.00 an acre would be accepted in settlement.

The valuers for the Company made a careful investigation of the land, and reported adversely to it. Valuers on behalf of the late Conservative Government also made an examination, and their report was unfavourable.

The Qu'Appelle and Long Lake Railway was built in 1880 and ran up through these lands. The land had been surveyed since 1882 with the exception of a small part of it. Speaking of the particular tract sold to the Saskatchewan Valley Land Company, it began sixty miles north of Regina and ran sixty-five miles in the direction of Saskatoon.

Settlers and Valuers Condemned Land.

When the contract was made for the sale of lands to the Saskatchewan Valley Land Company, there were only three homestead entries in the sixty-five miles. The country was an open level plain without a stick of timber on it, a veritable arid desolation. For years, home seekers by the thousand had passed over the land, and settled to the north or west. It was surrounded by prosperous farms, but this particular area remained unclaimed, and unsettled. It was the undisputed habitation of the gopher and the prairie dog, regarded as worthless by the homesteader, the Government, the land valuator, the speculator and the Railway Company.

The fact that the Qu'Appelle and Long Lake Railway Company traversed the land did not induce settlement. It had been in operation since 1890. Two trains ran each way a week. There was not a railway station in sixty-five miles, and from Lumsden to Saskatoon, there was not a telegraph station. There was no attempt on the part of the Railway people to settle the country, adverse reports on the land from Government officials and private valuers had determined this. Intending settlers would occasionally visit the land, but they never remained, they preferred the more remote places, and this immense tract in its arid desolation was rejected, and up to 1907 WAS AN UNINHABITED, DREARY, NEGLECTED WASTE.

Offer Made for Railway Lands.

Early in the year 1902 the land attracted the attention of Mr. D. McDonald of Qu'Appelle. This gentleman was in touch with a number of American capitalists, who had experience in settling and selling lands of a similar character to these. Mr. Adamson, who had lived for many years in the district where the lands are situated, and who deplored the lack of settlement, conferred with Mr. McDonald and his colleagues, and negotiations were commenced, having in view the acquisition of 450,000 acres of the land grant of the Qu'Appelle Company, (the total acreage ultimately purchased from the Railway Company was 869,000 acres).

Several members of the Saskatchewan Valley Land Company had the advantage of experience in dealing with lands of the semi-arid nature of these. They had formerly purchased 667,000 acres of land from the Northern Pacific Railway Company situated in the State of Minnesota. It was the residue of the land grant of the Northern Pacific Railway Company. It bears about the same relation to the general land of Minnesota, as these lands do to the general lands of Saskatchewan.

This syndicate commenced negotiation in 1899. They were first offered the Northern Pacific lands at 55 cents an acre, but refused the offer. They did not consider the land worth that money. The next year they renewed their negotiations, which resulted in the purchase at \$1.00 an acre. There were no colonization conditions attached. Within one year they cleaned up the entire transaction at prices ranging from \$5 to \$6 per acre.

The following year they bought Mr. J. J. Hill's land grant of 170,000 acres, which had been on his hands for years, and they sold every acre of it within three months.

The narrative has been brought to the point when the men who afterwards became the Saskatchewan Valley Land Company had made overtures to purchase the odd numbered sections of the Qu'Appelle and Long Lake Company's land grant.

Syndicate Makes Offer to Government.

At this point Col. Davidson, on their behalf, approached the Deputy Minister of the Interior, and made a proposition to purchase the even numbered sections adjoining the odd numbered sections purchased from the Railway Company. **THE PROPOSITION WAS NOT ENTERTAINED, THE POLICY OF THE GOVERNMENT NOT BEING TO SELL LAND, BUT TO SETTLE THE COUNTRY.**

Ultimately a new proposal was made to the Government WHICH INCLUDED THE SALE OF THE LAND UPON SETTLEMENT CONDITIONS, and the matter being referred to Hon. Clifford Sifton, then Minister of Interior, resulted in a contract being made which is reflected in the Order in Council of 24th of May, 1902, and is as follows:—

Sale Made on Basis of Land Settlement. Order in Council.

On a report dated the 9th of May, 1902, from the Minister of Interior, submitting that he has received a proposition from Mr. A. D. Davidson of Duluth, Minnesota, on behalf of himself and his associates, Messrs. G. F. Piper, A. L. Warner, George C. Howe, D.M. McDonald, and A. J. Adameon, for the purchase at the rate of \$1 an acre of the even numbered sections in a tract of land situated along the Qu'Appelle, Long Lake and Saskatchewan Railway, **ON CONDITION OF PLACING A NUMBER OF SETTLERS ON LANDS IN EACH OF THE TOWNSHIPS AFFECTED.**

The Minister states that the Commissioner of Immigration and the General Colonization Agent have very strongly recommended the proposition to the favourable consideration of the Department, particularly in view of the fact that the lands applied for have hitherto been **ENTIRELY PASSED OVER BY INCOMING SETTLERS**, as not being of a sufficiently desirable quality to induce their taking them up for settlement purposes.

The Minister recommends, after giving the matter very careful consideration, that the proposition of Mr. Davidson and his associates be complied with to the following extent:—

(Here follows description of the land).

The land shall be selected in certain townships.

The area to be disposed of to the Company is not to exceed in all 250,000 acres, and the price is to be \$1 an acre.

That the purchaser shall **DEPOSIT WITH THE GOVERNMENT THE SUM OF \$50,000 AS SECURITY FOR CARRYING OUT THE CONDITIONS OF THE SALE**; the said amount to be retained by the Government until all the lands have been earned, then this money shall be applied in payment of the last 50,000 acres of land. **IT IS AGREED THAT THE PURCHASER SHALL PLACE TWENTY SETTLERS ON FREE HOMESTEAD LAND IN EACH TOWNSHIP, AND TWELVE ADDITIONAL SETTLERS ON LANDS WHICH MAY BE SOLD BY THE PURCHASERS**, before they shall be entitled to purchase the remaining even numbered sections. In other words, there shall be in each township twenty quarter sections to be settled by homesteaders, and twelve by the Company on other sections which the settler may purchase to entitle the purchasers to buy from the Department the balance of the even numbered sections at the disposal of the Department of the Interior.

It is understood that this arrangement shall extend over a period of five years, but that the purchaser shall be obliged to perform at least two-fifths of the conditions as to settlers being placed on the lands within two years from the date hereof, and one-fifth each year thereafter, OTHERWISE THEY SHALL FORFEIT THE RIGHT TO PURCHASE, AND THE AMOUNT OF MONEY DEPOSITED WITH THE GOVERNMENT FOR SECURITY.

The Department agrees that as soon as certain townships have been settled in accordance with the agreement, the purchasers may receive the balance of the lands to which they will be entitled in such townships under the agreement at \$1 per acre, with interest at four per cent, beginning two years from this date, to the date of such payment. No interest shall be allowed to purchasers by the Department on the deposit of \$50,000.

Any entries granted to settlers or any settlers who may have squatted on land without entry, and who have made improvements on their holdings, within any of the townships named, are to be protected and maintained in their right to free homestead entry.

It is further understood that as soon as the deposit is made in connection with this purchase the Government will proceed with the sub-divisional survey of any of the townships mentioned which have not yet been subdivided.

The Minister recommends, Mr. Davidson having signified his consent on behalf of himself and associates, to accept the above terms, and having duly deposited the stipulated sum of \$50,000 that he be authorized to carry out the arrangement on the terms and conditions above set forth.

Completed Purchase of Railway Lands.

On May 12th, 1902, the purchase of 450,000 acres of land was consummated by Davidson & Company, from the Qu'Appelle and Long Lake Company, for \$1.75 an acre, and it might be mentioned here that the Railway Company, having such a poor opinion of the land, and fearing that Davidson & Company might sacrifice the first payment and be unable to complete the purchase, readily consented to allow a discount of twelve and a half per cent, if paid in full within six months, which brought the purchase price from the Railway Company down to \$1.53 an acre, without any settlement conditions attached.

On May 24th, 1902, the Order in Council was passed giving the right under certain conditions to buy.

Sale Was Shrewdly Made.

The terms upon which the Government sold the 250,000 acres demonstrated the shrewdness, wisdom and far-seeing statesmanship of the Hon. Clifford Sifton, Minister of the Interior.

He succeeded in selling for \$250,000, land that had been passed over by settlers and had been condemned as worthless and unfit for settlement by every experienced valuator who had ever visited it.

The Minister not only sold the land, BUT HE SOLD IT UPON CONDITIONS OF ACTUAL SETTLEMENT OF THIRTY-TWO SETTLERS TO EACH TOWNSHIP. THE BASIC PRINCIPLE OF THE TRANSACTION WAS, "ACTUAL SETTLEMENT OF THE LAND." Before the Company could be entitled to receive any township, they had first to place thirty-two actual settlers upon the land within it.

He exacted a deposit of \$50,000 which was to be forfeited to the Government unless two-fifths of the conditions as to settlers were fulfilled within two years, and one-fifth each year thereafter for three years. Should the Company fail in their obligations, they not only lost \$50,000, but also their right to purchase the land.

He made a bargain with the Company which put into practical operation the declared policy of "THE LAND FOR THE SETTLER."

What the Company Did.

Having secured 700,000 acres of land, what did the Company do? They immediately set to work and organized a monster excursion, free. They realized that they must make known the merits of the property to the people with whom, and through whom, they expected to deal.

Chartered Special Train.

They chartered a special train, starting from Chicago, and going through the states of Minnesota, Wisconsin, the Dakotas and Nebraska. Among their guests on that occasion were: James Fargin, President of the First National Bank, Chicago; Governor Lynn, of Minnesota; Ex-Governor Lynde, of Minnesota; Ex-Governor Miller, of Dakota; Bankers, Board of Trade members, grain dealers, leading farmers, prominent citizens, all influential in their respective localities.

It was a large and expensive undertaking. There were together 370 invited guests, who were accommodated in eight sleepers dining car, and other cars. The trip was from Chicago to Prince Albert, and return. During the trip these gentlemen were provided with all the luxuries and comforts to which they were accustomed, and they were also entertained at Winnipeg and other large cities en route, and finally returned to their homes in safety, satisfied that their time had been profitably occupied, enthusiastic as to the country, and inspired with a keen desire to take a practical interest in the development of the land.

Had Complete Organization.

The gentlemen who formed the Saskatchewan Valley Land Company, had prepared, and ready to their hand, a complete organization for the settlement and sale of the land. The most important feature of which was, that scattered throughout the United States, they had in their employ 3,000 agents, every one of whom became an advertising unit for the Company's land.

Land Sold at Moderate Prices.

The land was sold on moderate terms, and not at extravagant prices, as charged, in fact. They sold to some of the most powerful people in the United States. One of them, Mr. Hoard, of Central City, Nebraska, the largest cattle feeder in the United States, a man who runs a train of cattle into Chicago every week. They sold to one, Waddell, who raises 10,000 bushels of wheat a year, on his own farm. This man bought 40,000 acres, and has since disposed of it to dozens of actual settlers who farm it to-day. Sales were made to the Mennonite Brotherhood, who formed a Syndicate and went into possession of the land west of Quill Lake. That land is owned to-day by people who cultivate it. The same may be said of the German American Land Company and the Order of St. Benedict, and the members of these associations are living on the land, and own it to-day.

Mr. Detchen, who was a guest on the excursion, invested largely in the land, his crops run as high as 100,000 bushels of grain a year. Another gentleman, a practical farmer, raises 50,000 bushels of wheat a year.

Former Desert Now a Garden.

All of this has been done in what was heretofore regarded as an unproductive desert, and the action of the Minister of the Interior in being responsible for the Saskatchewan Valley Land Company has resulted in the development and prosperity, of which only a few examples are given here.

When the Company first commenced operations, there were no stations on the Qu'Appelle Railway for 140 miles. The Railway Company agreed to open a station and telegraph office during the first year of the Saskatchewan Company's operations, on the condition that the Company pay the salary of the operator for a year. This was done.

Provided Accommodation for Settlers.

The Saskatchewan Company had also to provide accommodation for intending settlers who visited the property. In addition to this they established livery stables and provided horses and drivers so that people might go out and examine the land without expense to themselves.

Enormous Expenses Entailed.

Enormous expenditures were entailed in the settlement of the land. To give details in this connection would be impossible, but it may be stated that in the first year alone the Company expended \$50,000 in cash, in addition to the \$50,000 of forfeit deposited with the Government. The expense of advertising, including accommodation by way of teams, drivers and hotel expenses provided for the use of those who examined the land with the view to purchase, and the money expended in Hotel and Stable buildings, etc., in the aggregate amounted to \$200,000, during the time the contract was being fulfilled.

What is the Condition To-Day?

For 140 miles along the line of the Qu'Appello Railway, which, previous to the advent of the Saskatchewan Valley Land Company, was an uninhabited wilderness, there are now the growing towns of Craig, Girvan, Davidson, Bladsworth, Hanley, Dundurn and many others. Business enterprises have been established in the towns, schools and churches flourish, mercantile institutions have been founded, elevators, stores and hotels abound, and there is genuine prosperity and activity where there was nothing before but the bare prairie.

The Saskatchewan Valley Land Company has brought this about, by bringing into the district men who were experienced in the methods of farming semi-arid land. The men who were taken in farmed it in the light of previous experience, hence gratifying results.

The Saskatchewan Valley Land Company undertook to do a certain work, and they did it thoroughly. They more than fulfilled the conditions of settlement, and, as the result of their enterprise, experience, and investment of capital, if they made money, the country has benefitted, for they have re-invested it in other enterprises in Western Canada, and in addition to the National benefit they conferred on the country by settling up what was always regarded as useless land, they have become energetic and useful citizens of the west.

Good Results of Company's Operations.

As a direct result of the operations of the Saskatchewan Valley Land Company, and the efforts of their 3,000 odd agents in the United States, immigration from that country received an immediate stimulus as the figures will show. The following table proves that immigration from the United States was at a low ebb in 1900, and that there were few homesteaders at that period. This was one year before the Saskatchewan Company got to work. The years immediately following saw a large immigration and increased numbers of homesteaders.

| Year | Immigrants from U.S. | Homesteaders. |
|----------------|----------------------|---------------|
| 1900-01..... | 17,987 | 2,026 |
| " 1901-02..... | 26,388 | 4,761 |
| " 1902-03..... | 49,473 | 10,942 |
| " 1903-04..... | 45,229 | 7,730 |
| " 1904-05..... | 43,652 | 8,532 |
| " 1905-06..... | 57,919 | 12,485 |

Onerous Conditions Were Attached.

To make clear the extent of the handicap and the onerous conditions under which the Company contended with respect to the conditions of settlement, it would be well to consider the following:—

| | |
|--|--------------|
| Each township contains..... | 36 sections. |
| Deduct two school and two Hudson Bay sections..... | 4 |
| Leaves..... | 32 |
| Odd numbered Railway sections..... | 16 |
| Leaves..... | 16 |

That meant that the Company had to place two settlers upon each available section in each township, before they had the right to purchase the even numbered sections in any township.

What the West Thinks of it.

Public opinion may be relied upon as a test of approbation or otherwise—Well, Mr. Adamson has since been returned to Parliament from the very district as a representative of the people, his opponent losing his deposit. Mr. Walter Scott was also returned by a large majority and Mr. Turriff, who was Commissioner of Dominion Lands at the time the transaction went through the Department, was elected in 1904 by 765 majority, and the elections were fought largely upon matters arising out of the contract with the Saskatchewan Valley Land Company.

The criticism directed against this Company is two-fold. First, it charged that the price paid for the land was too low. Second, it has been suggested that Mr. Turriff, M.P., who was Commissioner of Dominion Lands at the time the contract was made with the Company, acted improperly, or showed favoritism because his brother-in-law, Mr. Adamson, M.P., was one of the beneficiaries under the contract. Neither Mr. Adamson nor Mr. Turriff were members of the House when the contract was made. Mr. Adamson has since denied on the floor of the House, on his responsibility as a member, that he had any consultation or discussion with Mr. Turriff with regard to the matter, verbally or in writing, or that Mr. Turriff knew anything of his (Adamson's) connection with the enterprise at the time he (Adamson) went into it.

Progress—Prosperity.

Railways in operation in Canada:

| | |
|---------------|---------------|
| In 1896 | 16,270 miles. |
| In 1907 | 22,452 miles. |

Railway traffic tons carried:

| | |
|---------------|------------------|
| In 1896 | 4,266,825 tons. |
| In 1907 | 63,866,133 tons. |

Discounts in Chartered Banks:

| | |
|---------------|---------------|
| In 1896 | \$224,507,301 |
| In 1907 | 639,970,696 |

Deposits in Savings Banks of Canada:

| | |
|---------------|--------------|
| In 1896 | \$61,259,151 |
| In 1907 | 90,264,229 |

Deposits in Chartered Banks of Canada:

| | |
|---------------|---------------|
| In 1896 | \$183,769,992 |
| In 1907 | 589,459,889 |

Business failures in Canada:

| | |
|---------------|--------------|
| In 1896 | \$16,208,460 |
| In 1907 | 11,691,397 |

Bank Capital in Canada:

| | |
|---------------|--------------|
| In 1896 | \$61,701,007 |
| In 1907 | 93,137,611 |

Total trade of Canada:

| | |
|---------------|---------------|
| In 1896 | \$239,025,360 |
| In 1908 | 650,793,131 |

TIMBER ADMINISTRATION

Liberals Sold Timber by Public Tender to the Highest Bidder up to December, 1907. Now it is Reserved at an Upset Price and Sold by Public Auction.

Former Government Looted It

Divided More of the Timber Lands Among Themselves in One Year (1883) than the Liberals Sold Altogether Since Coming Into Power.

Tories Abandoned Investigation

Driven to desperate methods by their many abortive attempts to discredit the Government of Sir Wilfrid Laurier, the Conservatives have had the audacity to compare the administration of the Timber Lands under a Liberal Government, with the manner in which the timber lands were administered by their Government when in power.

No comparison more disastrous to the Conservative Party could have been invited, nor one more welcome to the Government. The facts have only to be stated for the people to pass judgment upon them, and that judgment will undoubtedly endorse the policy of the Liberal Government, and, it cannot fail also to carry a severe condemnation of the Conservative Administration.

Tories Looted Timber.

The Conservative Government for eighteen years regarded the public domain, lands and timber, as a perquisite to be divided amongst Conservative Senators, Members of the Government, Members of Parliament, defeated candidates, party workers, and prominent supporters of the party generally throughout the country. There was no regard for the public interest, no care exercised to secure fair compensation to the treasury in exchange for valuable concessions. The prevailing idea was to take advantage of the power they had, and give the property of the people to members of the Conservative Party.

List of Looters.

No sooner did the Conservatives gain power in 1878, than the process of looting commenced. With each succeeding year the raid on the timber continued until the year 1883, when the acme of eupidity was reached, and a veritable scramble occurred for during that year the rapacious and unprincipled Conservative politicians **DIVIDED AMONG THEMSELVES, FREE OF COST, NO LESS THAN 10,326 SQUARE MILES OF TIMBER LIMITS COVERING 6,608,640 ACRES OF LAND**, the property of the taxpayers of Canada. During the year 1883 there were 212 timber limits disposed of **MAKING A STRIP OF FOREST 33 MILES WIDE, AND REACHING FROM OTTAWA TO TORONTO; OR A STRIP THREE MILES WIDE EXTENDING FROM HALIFAX TO VANCOUVER.**

This hungry horde secured the vast tracts mentioned **ABOVE ABSOLUTELY FREE OF COST.** Not a cent was demanded or paid. The unfaithful men in charge of public affairs divided the property of the people among themselves at the rate of 22,500 acres a day for three hundred working days.

Who were the looters? Who got the timber limits in Conservative days, and got them for nothing? The following is a partial list of the men who grabbed the timber of Canada **DURING THE ONE YEAR, 1883, WITHOUT PAYING A CENT FOR IT.**

Some Tory Timber Grabbers.

Shields Haggart and McLaren—100 miles.

The Haggart mentioned here is Hon. John Haggart, formerly Minister of Railways in the Conservative Government, and a present member of the House. Mr. McLaren was a Conservative Senator.

J. G. H. Bergeron—50 miles.

Mr. Bergeron is a member of the House and was attached to Mr. R. L. Borden's party on the recent western political tour, in the capacity of expounder of Conservative purity.

Hon. D. Tisdale—50 miles.

Formerly Minister Militia in the Conservative Government and a member of the House now.

Geo. H. Perley—50 miles.

Conservative member of the House now.

Hon. W. E. Sanford—50 miles.

Conservative Senator from Hamilton.

Nicholas Flood Davin—50 miles.

Former Conservative member for West Assiniboia. Mr. Davin sold this limit for \$400 cash, and never paid a cent of bones or dues to the Government.

Hiram Robinson—50 miles.

Conservative candidate for City of Ottawa in 1896

Charles Magee—50 miles.

Prominent Ottawa Conservative

D. E. Sprague—50 miles.

Conservative candidate in Winnipeg.

Thomas Marks—50 miles.

Conservative politician, Port Arthur.

T. W. Currier—50 miles.

Prominent Conservative politician, Ottawa.

Dr. R. G. Brett—50 miles.

Former Premier Northwest Territories.

Hon. Senator W. Muirhead—50 miles.

Dr. W. H. Montague—50 miles.

Former Minister of Agriculture in Conservative Government.

S. W. Monk—50 miles.

Former Conservative M. P. P., Carleton.

Adam Brown—50 miles.

Formerly Conservative member for Hamilton.

Hon. Senator R. Hardisty—50 miles.

G. H. Badbury—50 miles.

Conservative politician, Selkirk.

Amos Roe—50 miles.

Former proprietor "Winnipeg Times," afterwards Collector of Customs at Calgary.

James A. Gouin—50 miles.

Conservative politician afterwards Postmaster at Ottawa.

Moore and McDowall—50 miles.

McDowall was formerly Conservative member for Saskatchewan.

McLeod Stewart—50 miles.

Conservative politician, Ottawa.

Shields, Haggart, McLaren and Nichol—50 miles.

John Rochester—48 miles.

Former Conservative member for Carleton County.

M. K. Dickinson—50 miles.

Former Conservative member for Russell.

Joseph Kavanaugh—50 miles.

Prominent Conservative politician, Ottawa.

- Jacob Erratt—50 miles.
 Conservative politician, Ottawa.
 F. J. Clark—50 miles.
 Secretary Conservative Association, Winnipeg.
 D. W. Cummings—50 miles.
 Conservative politician, Birtle, Man.
 C. C. Colby—50 miles.
 Former member Conservative administration.
 Hon. Senator Peter McLaren—50 miles.
 Hon. Senator G. W. Howlan—50 miles.
 T. R. Jones—50 miles.
 Conservative politician, St. John, N. B.,
 John C. Sproule—50 miles.
 Conservative politician, Winnipeg.
 Wm. Elliott—50 miles.
 Former Conservative member for Peel, Ont.
 D. H. MacDowell—50 miles.
 Former Conservative member, Saskatchewan.
 John M. Farrow—50 miles.
 Former Conservative member, West Huron.
 W. B. Scarth—50 miles.
 Former Conservative member for Winnipeg.
 H. Robillard—50 miles.
 Former Conservative member for Ottawa.
 Wm. Richardson—50 miles.
 Former Conservative M. P. P., Leeds.
 Walter Beatty—50 miles.
 Former Conservative member, Leeds.
 H. A. Ward—50 miles.
 Conservative member for East Durham.
 N. F. Patterson—50 miles.
 Conservative politician, North Ontario.
 Thomas Birkett—50 miles.
 Former Conservative member for Ottawa.
 These are examples showing a few only out of the 212 who secured free timber
 limits from the Conservative Government in the year 1883 alone.

Bolder Looting Each Year.

The following shows how the rapacity of Tory politicians grew, and how the shameless demands of their supporters were satisfied.

In 1881, twenty-one timber limits were granted; area, 955 square miles.

In 1882, ninety-eight timber limits were granted; area, 4642 square miles.

In 1883, two hundred and twelve timber limits were granted; AREA, 10,326 SQUARE MILES, FREE.

In eighteen years, from 1878, until the Conservatives were driven from office in 1896, they disposed of no less than 29,322 square miles of timber limits, an area equal to 18,766,080 acres. OF THIS QUANTITY 23,987 SQUARE MILES, EQUAL TO 15,351,680 ACRES, WERE GIVEN AWAY WITHOUT ONE CENT OF EQUIVALENT GOING INTO THE TREASURY.

Vivid Contrast.

Compare the above with the record of the Liberal Government. In eleven years' since 1896, when the Liberals came into power, THEY HAVE ALIENATED ONLY 6,456 SQUARE MILES, OR 4,131,840 ACRES, AND FOR THIS THEY HAVE RECEIVED THE SUM OF \$528,878, OR AN AVERAGE OF \$81.92 PER SQUARE MILE. In addition to this, the ground rent amounts to \$30,000 a year, and there is also a stumpage imposed of 50 cents a thousand feet.

IN OTHER WORDS, THE CONSERVATIVES GAVE AWAY FOR NOTHING IN ONE YEAR, 1883, TO THEMSELVES, SENATORS, POLITICIANS, CONTRACTORS AND PARTY FRIENDS, 3,870 MORE SQUARE MILES OF TIMBER THAN THE LIBERAL GOVERNMENT SOLD ALTOGETHER SINCE ASSUMING OFFICE.

IN ONE YEAR the Conservatives GAVE AWAY FREE 10,326 SQUARE MILES of timber limits, and the Liberal Government, SINCE THEY CAME INTO OFFICE HAVE SOLD ONLY 6,456 SQUARE MILES OF TIMBER, FOR WHICH THEY SECURED FOR THE TREASURY THE SUM OF \$528,878.

Comparative statement showing the total area of timber berths granted in Manitoba and the Northwest Territories, and the bonuses received therefor, during the Liberal and Conservative administration respectively:—

Liberal Administration.

1873 to 1878)

| | |
|-----------------------|------------------|
| Area..... | 310 square miles |
| Bonus..... | \$ 7,150 00 |
| Average per mile..... | 23 06 |

Conservative Administration.

(1878 to 1896.)

| | |
|-----------------------|--------------------|
| Area..... | 29,322 square mile |
| Bonus..... | \$ 121,219 00 |
| Average per mile..... | 4 13 |

Liberal Administration.

(1896 to May, 1907)

| | |
|-----------------------|---------------------|
| Area..... | 6,456 square miles. |
| Bonus..... | \$ 528,878 00 |
| Average per mile..... | 81 92 |

Comparative statement showing the total area of timber berths granted within the railway belt in the Province of British Columbia, and the bonuses received therefor during the Conservative and Liberal Administrations respectively:

Conservative Administration.

(1885 to 1st July, 1896)

| | |
|-----------------------|---------------------|
| Area..... | 1,444 square miles. |
| Bonus..... | \$ 56,215 00 |
| Average per mile..... | 49 10 |

Liberal Administration.

(1st July, 1896, to 31st May, 1907.)

| | |
|-----------------------|--------------------|
| Area..... | 1,041 square miles |
| Bonus..... | \$ 463,565 00 |
| Average per mile..... | 830 75 |

FOSTER A LOOTER.

It would be difficult to find anything reflecting upon the integrity of public men in Canada without finding Hon. G. E. Foster among the guilty ones. Would the people of Canada be surprised to learn that Geo. E. Foster, the advocate of purity in politics (who was once unseated for corrupt practise), the man who presumes to act in the capacity of public censor, himself APPLIED FOR FIFTY MILES OF TIMBER LIMIT, but, when he found that there were other competitors, he withdrew his application. This considerate politician declined to enter into competition for the limit; SO LONG AS HE COULD GET IT FOR NOTHING, ALL WAS WELL, but when he found that he might have to pay something the limit ceased to interest him.

This is the gentleman who says the Government have acted improvidently by giving away limits for less than they were worth. HE APPLIED TO GET ONE FREE.

The Conservative administration was characterized by disgraceful trafficking in timber limits. There was scarcely a prominent Conservative politician in the Dominion whose name does not figure upon the records as an applicant for a timber limit.

What will the electors say of men WHO DISPOSED OF 29,322 SQUARE MILES OF TIMBER WHILE IN OFFICE, at an average of \$4.13 per square mile?

What will the electors say of men who disposed of 23,000 square miles of timber WITHOUT GETTING ANY COMPENSATION for the treasury?

What will the electors say of men WHO DIVIDED AMONG THEMSELVES WHEN IN POWER 10,326 SQUARE MILES OF TIMBER IN ONE YEAR, WITHOUT PAYING A CENT FOR IT?

What will the electors say to the Liberal Government WHICH HAS NEVER SOLD A MILE OF TIMBER SINCE THEY CAME INTO POWER EXCEPT AT PUBLIC COMPETITION AND TO THE HIGHEST BIDDER?

What estimate will the people of Canada place upon the bona fides of the Conservative criticism of the Liberal Administration of timber lands, in face of the Conservative record, as disclosed above.

Continued Old System.

The system of selling timber limits, which has provided the subject for Conservative condemnation, WAS INAUGURATED BY THE CONSERVATIVE GOVERNMENT IN 1889. Previous to that time, there was no competition, no bonus simply a small rental per mile, and a royalty. The non-enforcement of even these easy terms led to the great abuses mentioned, which caused a dissipation of the timber resources without any corresponding advantage to the treasury.

In response to the Liberal attacks in the House, the Conservatives in 1889 inaugurated a competition system, under which it was not the practice for the Government to offer timber lands for sale unless some application was made for them. When any person wished to have a timber limit put up for sale, he made application to the timber and mines branch; then the officers of that branch issued the notices and advertisements after seeing whether the timber was available and open to be sold by the Government. Tenders were advertised for, and after the tenders were received, they were opened on the day fixed, and the limit was given to the highest bidder.

This was the plan adopted under the regulations in 1889, and it was carried on until 1896 by the Conservatives, when they went out of office. The Liberal administration continued to enforce the same system with only trifling changes such as affected the homesteader in the railway belt, and the payment by the holder of the timber of half the cost of fire guarding.

In criticising the regulations under which timber limits have been granted by the Liberal Government, THE CONSERVATIVES ARE CONDEMNING THEIR OWN ACTS WHEN IN POWER. They made the law as it stood previous to December 17, 1907. When the Liberals assumed office in 1896 THEY ADMINISTERED FOR A TIME THE LAW AS THEY FOUND IT. THE CONSERVATIVES CRITICISE THE LAW THEY THEMSELVES INAUGURATED.

Liberals Improved Law.

While it is true that the Liberals continued the law with regard to the sale of timber limits, there appeared to be room for improvement, AND THE LAW WAS IMPROVED. The law now is that all timber areas put up for sale are first inspected by the Government cruiser and surveyed by the Government surveyor. An upset price is then placed on them and this price is kept secret by the Government. The auction takes place at the land office nearest the herth. The right is reserved to refuse any bid not exceeding the upset price. It is the same method used in selling the Dominion School lands.

What Conservatives Alleged.

They say the regulations governing the sale of timber are defective. These regulations WERE MADE BY THEMSELVES, and were changed by the Liberal Government on December 17, 1907.

Conservatives allege that timber was sold by Liberals at prices far below its value.

Conservatives disposed of 29,322 SQUARE MILES AT \$4.13 PER SQUARE MILE; 23,000 SQUARE MILES OF THIS QUANTITY WAS WITHOUT ANY CONSIDERATION AT ALL—OF WHICH 10,326 SQUARE MILES OF IT WAS DIVIDED AMONG THEMSELVES, FREE, IN ONE YEAR. THE LIBERALS OBTAINED \$81.02 PER SQUARE MILE FOR THE 6,456 SQUARE MILES THEY SOLD SINCE 1896.

Conservatives allege that the Liberals disposed of the timber to political partisans through favoritism.

The Liberal Government has never sold a mile of timber EXCEPTING AT PUBLIC COMPETITION TO THE HIGHEST BIDDER.

Conservatives charged that timber lands were sold by the Liberal Government in advance of population demands.

If this could be so in 1908, with a population of over 1,000,000, with how much more force could the argument be applied to the Conservatives, who parted in one year, 1883, with 10,326 square miles of timber when there was scarcely any settlement at all in the Northwest. The Liberals only sold 6,456 square miles in the last twelve years, during which time an immense population has poured into the Northwest.

Conservatives accuse the Government of selling the timber to speculators.

There are not 500 miles of timber in the hands of men WHO ARE NOT OPERATORS, out of all the timber the Liberal Government ever sold. These men have been notified that they must erect mills and cut timber, OR THE LIMITS REVERT TO THE GOVERNMENT.

The Conservatives say that there was not sufficient publication of notice that timber was for sale.

The Liberals are not responsible for this. If the time was too short THE CONSERVATIVES FIXED IT. They made the regulations, instructed the officials how to carry out the law; they established the precedents, and are to blame if the law was unsatisfactory.

Got Good Prices.

The Liberal Government sold timber at an average price of \$81.02 per square mile. The Quebec Government, between the years 1888 and 1905, sold 26,500 square miles of timber, much of it pine and valuable hardwood, at an average of \$81.16 per square mile, or within a few cents of the price obtained by the Dominion Government for limits in the Northwest.

Timber Resources

The forest lands in Manitoba and the Northwest Territories cover 722,572 square miles, in the British Columbia railway belt 20,000 square miles.

| | | |
|--|---------|---------------|
| Total Timber Lands..... | 742,578 | square miles. |
| Total Merchant Timber Lands in Manitoba and the Northwest..... | 150,000 | |
| Deduct Railway Belt in British Columbia..... | 20,000 | |
| Merchantable Timber in Manitoba and the Northwest..... | 130,000 | square miles. |
| Sold from 1896 to 1908..... | 6,500 | |
| Balance Unsold..... | 123,500 | square miles. |

If the Government sells the timber in the future at the same rate as in the past, there is enough without reproduction, to last for 220 years. In addition to this, there are nearly 600,000 square miles of forest area, largely spruce, now growing, which can be cut every twenty years.

Timber Sold. Bonus Paid

| | |
|---|----------------|
| Conservatives—29,322 square miles..... | \$ 121,000 00 |
| Liberals—6,456 square miles | 528,875 00 |
| Had Conservatives secured the same price Liberals got, the result would be..... | 2,302,058 00 . |

Honest Administration.

The Liberal Government have administered the timber lands of the country prudently and honestly, and in a manner that has RESULTED IN LARGE SUMS FLOWING INTO THE TREASURY. Conservative administration of timber lands WAS A PUBLIC SCANDAL AND BENEFITTED ONLY THE POLITICAL AND THE GRAFTER.

Tories Feared the Truth.

Members of the Opposition have not hesitated to insinuate that Mr. Turriff, M. P., formerly Commissioner of Dominion Lands, acted improperly in receiving tenders for timber limits. Mr. Turriff, on the floor of the House constantly invited them to bring a charge against him, but without success. When the timber matters were before the Public Accounts Committee, Mr. Turriff was in daily attendance, inviting the Conservatives to call him to prove the allegation made by Mr. Foster that he Mr. Turriff, retired to a secret and secluded room, where he opened the tenders in private. They knew well that their whole case would vanish into thin air in the presence of the truth, so they refrained from calling the one man who might be expected to know all about the affair.

THEY DARED NOT PUT HIM UPON THE STAND, and so far as the Conservatives are concerned the public would never have received the benefit of Mr. Turriff's evidence. MR. TURRIF INSISTED UPON GIVING EVIDENCE WHICH WAS AS FOLLOWS:

He never opened any tender until the time had expired for receiving them.

He did not retire to a dark room to open tenders.

He never opened them alone, but always in the presence of another official.

Tenders when received, were placed in the safe, and no one had access to them and they were only opened at the proper moment.

He never favored any tenders but treated all alike in accordance with the existing regulations.

He never had any suggestions made to him by any person while in office to do an improper act.

Mr. Turriff characterized as "A DELIBERATE LIE" the statements made with regard to himself by Mr. Foster, who, by the way, absented himself from the Committee when Mr. Turriff was on the stand.

Tories Stop Investigation.

The attitude of the Opposition with regard to the investigation into timber matters before the Public Accounts Committee was inconsistent and contemptible. FAILING TO SECURE ANY EVIDENCE involving the official honesty of a former Commissioner of Crown Lands, and realizing that he had no case, Mr. Ames, the leading Conservative critic on timber matters, took advantage of the absence of Mr. McDonald, M. P., from the Committee Room, AND MOVED THAT THE INVESTIGATION TERMINATE.

Mr. Ames had been very persistent and suspicious throughout, and his vigorous plea that the proceedings be brought to a conclusion would have had the effect of blocking further investigation into timber matters.

Investigation revealed NOTHING FROM WHICH POLITICAL CAPITAL COULD BE MADE, and the Opposition lost all interest in the proceedings. In the administration of timber affairs, everything was found to be regular, and every official concerned emerged from the ordeal with credit.

ELECTION FRAUDS

Political History of Canada Reeked with Instances of Tory Fraud and Corruption of every Description. Sir Wilfrid Fights to Protect the Franchise.

Previous to 1896, there was only one solitary instance of election corruption alleged against the Liberal party, and in that case Mr. Laflamme secured a verdict of \$10,000 against the Mail for seeking to connect him with guilty knowledge of the corruption said to have been practised.

Since Confederation, the records of the courts bulge with evidence of Conservative corruption. There is scarcely a constituency in Canada which cannot supply its quota of testimony in support of this statement. Men of the vilest character, ex-convicts, perjurers, and crooks of every description were employed to retain power or gain it for the Conservative party. The highest recommendation a man could carry from the chief organizer of the party was that he had successfully done criminal nets in other places. Ballot boxes were stolen, ballots were switched, spoiled or stolen; instructions how to falsify the count were actually printed and circulated. Instructions in the art of winning elections corruptly were imported from the United States. Ballots by the hundred were previously marked and substituted for legitimate ones. Good ballots were spoiled to reduce the count against an opposing candidate. In fact, everything which the ingenuity of a depraved mind could suggest, and the employment of a corrupt fund accomplish were brought into requisition to defeat the will of the people as expressed at the polls. Men were paid to make false affidavits, and promised immunity from arrest. The slogan of the Conservative party was "Win at any price."

The bill introduced by Sir Wilfrid Laurier's government amending the Elections Act was fought tooth and nail by the Conservatives in the House last session. Supply was obstructed for weeks with the avowed intention of stripping the bill of those features which protected the franchise and gave a free expression of the people's will. The bill was finally passed, although many of its best features were eliminated. This was done by the party which preaches purity and practises corruption, as the following examples will prove.

Huron and Brockville.

In the session of 1900, Mr. Borden charged that by-elections held the year before in Brockville and West Huron had been stolen by some form of ballot fraud. In support of this, he produced an affidavit of one J. G. Pritchett, confessing that he had instructed deputy returning officers in the art of switching ballots in these elections. Pritchett had been described by the Judge as a self-convicted liar and perjurer. In addition to this, eight responsible men swore that Pritchett was a perjurer and a liar.

This affidavit was prepared by Sam Barker, then Conservative organizer, and now M. P. for Hamilton, who proceeded to Detroit (where Pritchett had fled) in company with Mr. Fleming, a Conservative lawyer of Windsor, Ont. Pritchett was promised immunity from arrest and prosecution if he would make a statement as to the West Huron elections, and sign the affidavit prepared for him. He signed the affidavit, the purport of which has been flatly denied by nine men in Brockville and three in West Huron, all reputable citizens. Pritchett secured his liberty by making a false affidavit, in Detroit, one he refused to swear to afterwards at St. Thomas, thus proving himself to be a crook and a perjurer, and it is upon the evidence of this man, with whom the Conservatives had made an unholy contract, that instances of corruption in Brockville and South Huron are based.

Tory Corruption.

In South Wentworth, North Middlesex, West Northumberland and South Grey, ballots were stolen from the boxes after the election. In the recount before the Judge, ballots were found marked for both candidates when the count was close. For years, Conservatives corruptly elected in their constituencies sat and voted in the House.

In 1896, the Conservatives became reckless in their attempts to retain power. Liberals do not have to rely upon the affidavit of a confessed perjurer like Pritchett to establish corruption. Under the instructions of Robert Birmingham, the chief organizer of the Conservative party, instructions to steal elections were actually printed, and the method to be followed was explained in detail. This was to be put in force in Manitoba. This scheme was entrusted by the Tory organizer to one Freeborn, of whom Birmingham said: "He was a good man in North Bruce in 1891." The Conservatives won by 30 in North Bruce, with the assistance of Freeborn, the expert ballot manipulator, ballot switcher and ballot box stuffer.

In West Kent, the returning officer secured extra ballots, which he handed to the deputy returning officers, they being previously marked for the Conservative candidate. They were asked to initial them and substitute for the genuine ballots marked for the Liberal candidates.

In North Ontario, when it came to a recount before the judge, in the ballot boxes were found ballots that had never been folded marked for the Conservative Candidate. The judge said they were fraudulent and had been put in after polling day, yet the Conservative sat a whole session in the House.

In Lincoln a number of shady characters, one of whom was an ex-convict, were appointed to act as deputy returning officers. Previous to election they were instructed at a hotel in St. Catharines how to substitute ballots for J. C. Rykert, a man of unsavoury political reputation. Over three hundred duplicate ballots were previously marked for Rykert. The man who gave the instructions was imported from the United States for that purpose.

In Parry Sound there was an organized plot to steal the seat for the Tory candidate. Over forty ballots were found in one box that had been previously marked for other candidates. The Tory was counted in.

In South Ontario \$15 to \$20 each was paid for votes in the Conservative interest. One man admitted he arranged to change twenty votes for \$100. Tories admitted spending \$7,000 in this election.

Queens, N. B., election was characterized as the greatest outrage even perpetrated in Canada.

Kings County, P. E. I., the Liberal won the seat by 62, but the Conservative Committee on privileges and elections gave the seat to a Conservative on a quibble.

In 1892 a disreputable gang of pluggers, personators and ballot stealers operated in South Victoria, East Elgin, East Hastings, East Bruce, London, East Simcoe, South Perth, West Northumberland West Huron, and Haldimand.

The people of Canada will never hand over the government to men who are steeped to the neck in corruption filth such as narrated above.—It would not be safe to hand over the resources of Canada to be administered by men who agreed to surrender a big slice of the continent in exchange for financial support during an election campaign, as was the case with the Conservative Government when making the bargain with Sir Hugh Allan for the Canada Pacific Charter.

Votes intended for public works were made large enough to provide a big contribution to the Tory corruption fund, and the people are to this day paying the price. Ministers brazenly used money in their campaign that was voted for public purposes and the public domain was freely drawn upon to pay the election debts and satisfy the greed of party heelers.

The rascals were turned out in 1896. Kept out in 1900, swept away in 1904, and in 1908 if the opportunity be given, they will be left to languish in the cold shades of opposition.

Blairmore Townsite

Conservatives Based their Charge upon Montalbetti's Supposed Perjury Jury Acquitted him of Charge.

It has been made to appear that a certain parcel of land, once open to settlement to the first comer, and now having additional value because the centre of a considerable population, was fraudulently given by the department of the Interior to one McKenzie, who happens to be a Liberal, and it was assumed that favoritism was shown.

History of the Case.

The facts are simple and differ in no respect from the hundreds of other cases with which the department is called upon to deal, with this exception that this particular quarter section has an additional value, having been selected as the townsite of Blairmore. The department followed precisely the same rule in this case as in others. If there was any variation it was in the direction of protecting conflicting interests as will appear.

Some five years ago, one Montalbetti squatted on a certain quarter section, and commenced improvements, including the building of a house, on the land on which he resided. In course of time the Canadian Pacific located a Station upon a portion of the land, and of course installed a Station agent, one Lyon. It must be remembered that Montalbetti was, then, and had been for some time previously, occupying the land and claimed it by virtue of his squatters right.

Several Claimants to Land.

Lyon, doubtless seeing the possibilities of the location made some improvements on a part of the land, as did one Pelletier. In course of time all three made application to the department for the quarter section, and the same being in dispute, the matter was referred to the Dominion lands' agent of that time to determine the rights of the parties. After hearing the evidence he adjudged the land to Montalbetti, and he became the owner by patent right.

The Dissatisfied Claimant.

Lyon was not satisfied with this decision and appealed to the Exchequer Court to have the patent set aside upon the ground of fraud. The Crown granted the petition and gave Lyon every facility to prove that he had been defrauded of the land. The result of the trial was against Lyons' contention.

It appears that during this trial, the Judge before whom the Exchequer case was tried made some observations which reflected upon the representations made by Montalbetti when making application for the land, which might have impaired his title if substantiated. Upon this the scandal was based by the Conservatives. It was stated that Montalbetti, had committed perjury, in furnishing his proof of settlement, and as he had since transferred his title to one McKenzie, and as the land had become valuable as a townsite, Lyon charged Montalbetti with perjury, and he was sent up for trial.

Opposition Case Falls.

Had the case remained where the opposition left it, there might have been a lingering doubt in the minds of some people as to whether Montalbetti was clearly entitled to the land, but all this was set at rest by the trial which occurred at McLeod, for the jury, after considering the evidence returned a verdict of not guilty.

The only ground upon which the opposition based their case was that of fraud on the part of Montalbetti in securing his title which he afterwards transferred to McKenzie. This has finally been disposed of by a jury who found that no fraud had been committed.

Minister Protects All Concerned.

The Interior Department, however, has gone further than the law in doing justice to all parties. As both Pelletier and Lyon had apparently made some improvements on the land, the department insisted upon a certain portion of the land going to Pelletier and Lyon, and the issue of patent to McKenzie was conditional upon this being done. Thus provision was made by the department, which fully protects the rights of all parties, although the legal aspect of the case would vest the property in McKenzie the assignee of Montalbetti, who has now been cleared of any imputation of fraud.

This verdict destroys the case set up by the opposition. The courts have held that Lyon had no claim upon the townsite, and that Montalbetti was not guilty of fraud; and it has been demonstrated that the whole case was dealt with by the department upon its merits. The Blairmore townsite scandal may do duty as Tory politics until the facts are known throughout the country, afterwards, it will take its place among the derelict scandals of which the Conservative Sargasso Sea is crowded.

RATE OF TAXATION--BOUNTY BUILDERS

The Conservatives endeavour to show that the bounty paid by the Government has the effect of increased protection to a favored few. The argument used is that customs duties have been lowered on certain articles, and the loss made up by paying bounty to manufacturers. This has been illustrated also by a table adding the bounties to the customs rate on dutiable exports.

To arrive at a result favorable to themselves, the Conservatives have calculated the customs duly on dutiable imports only, not the average rate upon total imports. They arrive at a figure 28.62, as the rate of duty from 1879 to 1896 and for the succeeding years they apply the same calculation and to it they add the amount of the bounty, and this is the result:

| | Duty alone Per cent. | Bounty Paid. | Duty plus Bounty. |
|---------------------------|----------------------------|-----------------|-------------------------|
| Average 1879 to 1896..... | 28.62 | | |
| 1897..... | 29.90 | \$86,894 | 30.11 |
| 1898..... | 29.22 | 240,814 | 29.54 |
| 1899..... | 28.65 | 356,774 | 29.05 |
| 1900..... | 27.63 | 356,112 | 27.97 |
| 1901..... | 27.42 | 498,020 | 27.90 |
| 1902..... | 27.20 | 791,089 | 27.93 |
| 1903..... | 27.00 | 1,406,185 | 28.09 |
| 1904..... | 27.42 | 1,130,041 | 28.25 |
| 1905..... | 27.69 | 2,234,685 | 29.16 |
| 1906..... | 26.83 | 2,400,771 | 28.22 |
| 9 mos. to 1907..... | 26.35 | 1,581,944 | 27.58 |

Even upon the above very misleading method of calculation the duty with bounty added is less than it was in Conservative days.

The system of paying bounties, was introduced by the Conservative administration, and any criticism for the payment of bounties may be directed equally against the former government. The point made here, however, is that the calculation is inaccurate being based upon wrong figures. To arrive at the incidence of protection in case where bounty should be added to the custom's duty, then the

figures must be based upon the average rate of duty applied to the total imports, both dutiable and free. The following table is correct and shows an average of about 16 per cent not 28.51 as wrongly figured out in the first table.

| | Total Imports for Cons'mptn | Duty Collected. | Bounty Paid. | Duty plus Bounty. | Average ad val rate of duty on Total Imports. | Average ad val rate of duty plus Bounty on Total Imp. |
|---------------|--------------------------------------|--------------------|-----------------|-------------------------|---|---|
| | \$ | \$ | \$ | \$ | p. c. | p. c. |
| 1897..... | 106,617,827 | 19,844,557 | 86,894 | 19,931,451 | 18.61 | 18.69 |
| 1898..... | 126,307,162 | 21,807,073 | 240,814 | 22,047,887 | 17.26 | 17.46 |
| 1899..... | 149,346,459 | 25,624,838 | 356,774 | 25,981,612 | 17.15 | 17.40 |
| 1900..... | 172,506,878 | 28,835,349 | 356,112 | 29,191,461 | 16.71 | 16.92 |
| 1901..... | 177,700,694 | 29,063,973 | 498,020 | 29,561,993 | 16.35 | 16.63 |
| 1902..... | 196,480,190 | 32,352,538 | 791,089 | 33,143,627 | 16.46 | 16.86 |
| 1903..... | 224,813,719 | 37,022,581 | 1,406,185 | 38,428,766 | 16.46 | 17.09 |
| 1904..... | 243,590,019 | 40,840,157 | 1,130,041 | 41,970,198 | 16.76 | 17.23 |
| 1905..... | 251,617,119 | 41,794,593 | 2,234,685 | 44,029,278 | 16.61 | 17.49 |
| 1906..... | 283,282,204 | 46,437,440 | 2,400,771 | 48,838,211 | 16.39 | 17.24 |
| 1907 (9 mos.) | 249,737,874 | 40,053,624 | 1,581,944 | 41,635,568 | 16.03 | 16.67 |

GOOD MEN IN THE SERVICE.

Appointments which can be justified, faithful public servants who have been criticized by the Opposition.

Philip Wagner.

Philip Wagner was conducting a tailoring establishment at Edmonton, and being an expert interpreter of German, Polish and Galician, was employed by the government in that capacity. He had many transactions with and on behalf of these people, and was unjustly accused of misappropriating some property of a Galician. There was a vindictive attack made upon him in consequence of his being a strong Liberal partisan. However, the case went against him. He then left the government service and returned to his former business. So many calls were made upon his service as interpreter that his business was seriously interfered with, and he either had to give up the one or the other. He is known as the best interpreter in the province, and having the confidence of the people his services were constantly in request. The government concluded to avail of his services as interpreter, and he was permanently employed in that capacity. It is charged against him that he interfered in the provincial elections of Alberta in 1905. The gentleman who supplied affidavits in support of this charge was the defeated candidate for Edmonton city, but he declined to produce any direct evidence himself. Mr. Wagner, has the respect of the community in which he resides, and is performing valuable and satisfactory services for the people in his official capacity as interpreter.

Joseph Nixon.

Joseph Nixon was sub-land agent at McLeod in 1901. The sub-land agencies were public conveniences for receiving entries for land in remote places. When this system was first established, the sub-land agent was paid by commission upon the business transacted, not by salary. It was thought that a small salary would be preferable, and Nixon was sub-land agent at \$50 a month and land guide at \$25

a month. This agent is not under any regulations, rules or restrictions of the Department of the Interior in any manner. He is not an official of the Government, and engaged in other business. While absent on one occasion as land guide, Mr. Nixon left his son, a boy of fifteen, in charge of the sub-agency, and certain moneys got astray, and were not available when the sub-agent returned. An investigation of the books was conducted by the Government, Mr. Nixon giving every assistance in his power. As soon as the amount of the shortage was ascertained, Mr. Nixon promptly paid it to the Department. Nothing criminal was alleged or discovered, but the youthfulness of the person left in charge led to carelessness. As the son was left in charge of the office by the father, the latter was clearly responsible to the Department. That responsibility he at once accepted. Outside of Tory campaign literature, no person ever suggested that Mr. Nixon had done anything of a criminal nature.

W. J. Dobey.

W. J. Dobey was postmaster at Thessalon, Ont., a position he had occupied for twenty-five years. A report having reached the Department that his accounts would not balance by \$500, he was suspended, and ultimately resigned. It afterwards transpired that other persons had access to the office, and an investigation by a post office inspector resulted in a finding which completely exonerated the postmaster from wrong-doing. The report in part says: "I am satisfied that the postmaster's statement is absolutely correct, and that he never used any post office funds, and there is no reason to believe the daughter has done so either." Thereupon, Mr. Dobey was reinstated in his office, and acceptably fills the position to-day. He paid up every dollar found to be lacking in the settlement of his accounts.

W. T. B. Preston.

Mr. Preston was until recently assistant superintendent of immigration at London, England. He is one of the most energetic and valuable officers in the immigration branch of the Interior Department. He is now employed in Japan by the Trade and Commerce Department, and is rendering valuable assistance to the Government in promoting trade relations with that country. He was never implicated in any corrupt practices during elections, and when sent for to appear before the Committee on Agriculture and Public Accounts on matters relating to the North Atlantic Trading Company, he literally howled out the whole committee. Nothing derogatory to his character has ever transpired. The moderate expense bill rendered to the Department has been the subject of much comment. Mr. Preston was closely identified with the policy which resulted in securing thousands of the better class of immigrants for the Northwest. The charge against him was that of corruptly interfering in elections. After hearing evidence the Commissioners in the West Elgin case said "the Commissioners cannot trace to these persons (Preston and others), or to any of them any knowledge of the participation in the fraudulent and illegal practice herein before related."

R. E. A. Leach.

This gentleman is one of the most competent officials in the employ of the Liberal government. For political purposes the Tory party accused him of drawing a thin red line through the names of some 10,000 Manitoba voters, in the elections of 1904. The story was cut out of whole cloth, not a shadow of truth in it. The provincial authorities evidently thought so, for they withdrew all proceedings against him. The charge is too unreasonable to permit of serious consideration, and was thoroughly ventilated and effectually disposed of before a Federal parliamentary committee. Mr. Leach is Inspector of Dominion Land Agencies and is deservedly popular in the West. He was selected to assist in the distribution of seed grain this year, under the act passed at the last session of parliament. He performed his duties in this regard to the satisfaction of all concerned. Mr. Leach is favorably known in the territory covered by his duties, which he discharges to the satisfaction of the people, and with credit to himself. He is a man of sterling character and unquestioned honesty.

GRAZING LEASES

The men who have invested large sums in the cattle raising industry, and who are increasing the cattle export business, received fair consideration. To these men grazing leases were granted, with the right to buy enough land to raise crops and keep their cattle from starving in the winter. There is always a dispute between cattle men and farmers; and this question presented several problems to the Liberal government. There are areas in the west suitable altogether for farming. There are areas suitable for grazing and farming. There are areas which are not, and never will be, suitable for farming.

The policy adopted was, that those areas which would never be suitable for farming should be maintained for grazing purposes. Experience has proved that unless those areas which are wholly fitted for grazing, and not suitable for anything else, are let out into leaseholds, so that portions of them will be irrigated and the rest protected, the result will be that the natural sod of the prairies will be permanently destroyed, and all pasturage ruined.

To meet these conditions, grazing regulations were adopted, and under these regulations certain leases were granted and certain sales occurred. The Government believed it to be sound policy to grant to ranchmen land under such circumstances, that they will be able to irrigate it and raise proper fodder for their cattle. Cattle formerly ran at large and destroyed pasturage, but by keeping them within the defined limits of land suitable for grazing, and under conditions which permitted the industry to prosper, the country at large reaped the benefit. As to the men who received leases, they were engaged in the cattle industry in a large way, and some of them were prominent Conservatives.

Robins Irrigation Co.

An agreement was made with this company to purchase 380,000 acres of land at \$1 per acre; but not one acre can be purchased until the company has irrigated one quarter of the entire area at an expense of \$1,000,000. The basic principle of the enterprise is that \$1,000,000 must be spent by this company upon land which is at present useless, and after that has been done, they have the privilege of buying 380,000 acres, made valuable by the expenditure of their own money, at the price of \$1 per acre.

Galway Horse and Cattle Co.

In 1902, an order-in-council was passed granting a grazing lease to H. P. Brown, of Great Falls, Montana, upon land that was dry and from which homesteaders were excluded for a period of 21 years. His rights were subsequently assigned to the Galway Horse and Cattle Co. Some time in February, 1905, a general regulation had been passed providing for closed leases, where the country was not suitable for agricultural settlement. Ultimately, regulations were substituted providing for a 21-year lease, subject to cancellation on two years' notice.

When the Galway Company applied to execute their lease, the Minister offered them a lease under the new conditions, that is, for 21 years, subject to cancellation on two years' notice. The company accepted this lease, but ultimately demanded a lease according to the terms of the order-in-council which had authorized the issue of a lease to H. P. Brown for the land in question, whose rights they held. As the order-in-council to Brown had never been rescinded, they were within their rights, and a closed lease was issued to them. They were not required to pay rental for the term intervening between the passing of the order-in-council and the execution of the lease, as the Department had no legal right to collect. The order might have been cancelled, but this would not have changed the fact that the land was only fitted for grazing, and not being cancelled, there was no alternative but to issue the lease. This is the story of the Galway Cattle Co.

JAPANESE IMMIGRATION.

Canada was made a party to the treaty between Japan and Great Britain. Conservatives urged this course upon the government.

In 1894 a treaty was made between Great Britain and Japan in which it was provided that Canada might become a party to it any time up to 25th August, 1896. Afterwards extended a year. The Conservative government of the day had negotiated with the view of making Canada a party to the treaty, but upon Sir Wilfrid Laurier coming into power he hesitated about doing so.

Many times in the succeeding years the leaders on the Conservative side reproached the government for not joining in the treaty. The advantages of doing so from a trade standpoint were urged persistently by the opposition until Sir Wilfrid agreed to join Canada in the treaty, and the Conservatives unanimously supported the motion when it was introduced in the House.

For some reason never satisfactorily explained, a large number of Japanese from Honolulu made their way to Canada in 1907. This state of things was not agreeable to British Columbia, and the government decided to send Hon. R. Lemieux, Minister of Labour to Tokio, to make some arrangements restricting this immigration. His mission was eminently successful and the arrivals ceased. Mr. Lemieux secured from the Japanese government the following undertaking.

Japan's Written Assurance.

TOKIO, December 23, 1907.

Mm. le Ministre:

In reply to your note of even date I have the honor to state that although the existing treaty between Japan and Canada absolutely guarantees to Japanese subjects full liberty to enter, travel and reside in any part of the Dominion of Canada, yet it is not the intention of the imperial government to insist upon the complete enjoyment of the rights and privileges guaranteed by those stipulations when that would involve disregard of special conditions which may prevail in Canada from time to time.

Acting in the spirit and having particular regard to circumstances of recent occurrence in British Columbia the Imperial government have decided to take efficient means to restrict emigration to Canada. In carrying out this purpose, the imperial government in pursuance of the policy above stated will give careful consideration to local conditions prevailing in Canada with a view to meeting the desires of the government of the Dominion as far as is compatible with the spirit of the treaty, and the dignity of the state.

Although as stated in the note under reply, it was not permissible for us to acquiesce in all of the proposals made by you on behalf of the Canadian government. I trust that you will find in the statement herein made proof of the earnest desire of the imperial government to promote by every means within their power, the growth and stability of the cordial and mutually beneficial relations which exist between our countries. I venture to believe also that this desirable result will be found to have been materially advanced by the full exchange of views which has taken place between us, and it gives me special pleasure to acknowledge the obligation under which I have been placed by your frank and considerate explanation regarding the attitude and rights of your government.

(Signed) (Tadasu Hayasbi)

To Hon. Rodolphe Lemieux.

This arrangement settled all difficulties and the problem of oriental immigration was solved. No further difficulty has since arisen. The Japanese government are acting in good faith upon the terms indicated in the above letter. The members from British Columbia without exception announced themselves as satisfied that the difficulty had been overcome, and that no further cause of complaint would arise. Subsequent events have proved that they were justified in coming to that conclusion.

ROSS RIFLE

Best small arm in the world—Won highest honors at Bisley—Establishment of Factory a patriotic act—English Press opinion.

The most astonishing and unpatriotic misrepresentations have been scattered broadcast, throughout the country with regard to the Ross rifle and the dealings of the government with this firm.

There was before the Colonial Conference in London in 1907, an official paper headed "Patterns and Provisions of Equipment and Stores for Colonial Forces." In paragraph 6 of this paper the Quartermaster General and the Master General of the Ordnance recommended that.

"It is most desirable that the area of supply of the warlike stores under reference should be as wide as possible, and therefore the Colonial Governments should be urged to arrange for local manufacture and provision rather than to rely on the resources of the United Kingdom"

Sir Frederick Borden Minister of Militia and Defence, speaking in the House in February 1907, made following statement:—

Why Ross Factory Established

It was impossible to secure a thousand rifles in Great Britain during the time of the South African war, and I thought that it was the duty of this government, under the circumstances, to make as soon as possible some arrangement by which our rifles could be manufactured in Canada. I was in England in 1900 and went to the Birmingham Small Arms people and tried to induce the company to come to Canada. I quite recognize the desirability of our having, if possible, precisely the same rifle in Canada as is used by the British army, because if the militia of this country should ever be called out for war, it would be better that we should have the same rifles. We have one, however, which differs so little from the Lee-Enfield that there will be no trouble on that score.

It was found impossible to prevail upon the Birmingham Small Arms Company, or any other small arms manufacturer in England to come out here and start a factory. About that time Sir Charles Ross happened to be here. I had not then come to Canada for the first time, but, as the hon. gentleman must know, had been living in British Columbia, and had spent a great deal of money there in developing water-mills and establishing electrical works. He was introduced to me, I think, by Mr. Mackenzie, of Messrs. Mackenzie & Mann, and brought other letters from the most reputable men in Canada. He explained to me that he had a rifle factory in the United States, and was selling sporting rifles, rifles similar to what are being manufactured here now. He said that he would be willing to establish a factory to manufacture rifles for Canada with the same bore and to use the same cartridge as the Lee-Enfield rifle. It seemed to me that it was a patriotic thing on my part to recommend and on the part of the government to accept this opportunity to secure a factory which would turn out rifles for Canada.

Factory Was Established

Sir Charles Ross secured a contract from the government and thereupon erected a factory at Quebec, upon land leased from the government at a nominal rental, and close to the government arsenal. Sir Charles Ross states that his investment in the enterprise stands him in upwards of \$2,000,000. He employs from 350 to 500 men.

There has been some criticism as to the contract upon the ground that the government pays 75% on progress estimates as the rifles are being manufactured. This is a usual clause in all large government contracts, and applies to all the departments equally.

Colonel Wurtele is the man who makes up the accounts for the progress estimates, he sees every charge in the factory, is acquainted with every voucher, and all the books of the company are open to him at all times, he sees every labourer's account and knows the detail of the business from end to end. His evidence before the public accounts committee was as follows:—

A. "Over \$900,000."

A. "Over \$300,000 shop expenses and material. The charge has been made that the

We have read a political pamphlet entitled,

This pamphlet states on page 19, paragraph 1, as follows:—

"Not a Canadian Rifle."

R. B. Whyte, J. B. Deniss, C. N. Dawson, A. J. McGee, D. Watters, P. Plamondon, T. C. ...

R. B. Whyte, J. B. Deniss, C. N. Dawsoo, A. J. McCusker, M. H. Murphy, C. J. Dickson,
D. Watters, P. Plamondon, T. Tremblay, N. McClure, E. J. Evans, S. P. Murphy, F. W. H.
Porter, D. Power, L. Auger, Charles Wm. Carey, Benie Gagnon, Fred B. Paulin, J. E. McCaoo.

Who Owns The Factory?
There are those in the Conservatives party who have not hesitated to insinuate that there are others interested in the factory besides Sir. Charles Ross. This certificate disposes of this subject.

Declaration of Partnership
No. 91 Ross Rifle Company of Canada, Canada, Province of Quebec, District of Quebec.
I, the undersigned Charles Henry Augustus Frederick Lockhart Ross, Baronet of Balgownie, and Bonington of the Counties of Ross, Cromtie, Sutherland and Lanark, in the Kingdom of Great Britain, residing at the City of Quebec, Manufacturer, do hereby declare that I intend to carry on at the City of Quebec the business of Manufacturer of fire arms, under the firm name and style of "The Ross Rifle Company of Canada" that I am the sole partner composing the said firm, and that I was married at Louisville in the State of Kentucky, one of the United States of America, on the 19th November, 1901 without any marriage contract or deed.

(Signed) C. D. ROSS.

Stamp—A true copy.

(Signed T. W. S. DUNN, Deputy, P.C.S.)

Comparison of Cost

It has been maliciously stated that not only is the Ross rifle inferior to the Lee-Enfield but the government is paying much more for it. This statement is false. In 1896 the government of which Mr. Foster was a member, purchased from England Lee-Enfield rifles at \$26.40 and the cost of the Ross rifle, made in Canada cost of inspection added is \$26.90. The cost today of the British rifle latest pattern made in the government factory is \$27.35. The same rifle if purchased from the trade would cost \$33.60. It will therefore appear that the Ross rifle at \$25 and \$1.90 for inspection is a cheaper rifle than any other in general use.

Small Arms Committee

There has been established a standing committee on small arms and the following distinguished military men are its members.

President—Brevet Colonel Sam. Hughes, M.P.

Members—

Lieutenant Colonel W. P. Anderson, R.O. Lieutenant Colonel, J. H. Burland, R.O.
Lieutenant Colonel C. Greville Harston, R.O. Major R. A. Helmer, D.A.A.G.M.
A. O. Fages, R.C.R. J. B. Pym, I.S.A., M.G.
W. H. Davidson, 8th Regiment. J. E. Hutcheson, 43rd Regiment.

Associate members—

Lieutenant Colonel F. M. Gaudet, R.C.A.

Superintendent Dominion Ordnance—

J. W. Harkom, R. O.

A. E. McIntyre, Esq., Ph.D.

A. H. Walters, Esq., M. A.

Col. Sam Hughes is the president and one of the most strenuous supporters of the Ross rifle in Canada. This committee engages the rifles in the most severe tests known to modern science. The items which follow give a comparison of tests made of the Lee-Enfield and Ross rifle 66% of the Lee-Enfield became unserviceable under the test, that is three out of five. Some results,

1. Barrel bulged.

2. Magazine arrangement gave out and could not be made to work, by replacing other magazine or with the means at the Dominion Arsenal.

3. One shook to pieces and could not be fired.

All of the Ross rifles passed the tests 6 mark III. 2 mark II, in a most extraordinary good manner demonstrating not only their superiority to the Lee-Enfield, but surpassing all other military rifles.

Performances of Ross Rifle

The following scores recently made at Bisley, England, with the Ross rifle, are sufficiently eloquent to illustrate the supremacy of this arm over all others.

Competitions open to all Comers and all Rifles.

Notable Scores of Ross Rifles (made in Canada) Bisley 1908.

| | Range. | Highest possible |
|-------------------------------------|--|------------------|
| GOLD JEWEL OF ENGLISH EIGHT | | |
| WALDEGRAVE | F. W. Jones. (Winner) 10 shots at 800-900, E. F. Ashdown, 99 | 100 |
| BASS | F. W. Jones, 98 10 shots at 900-1,000, F. W. Jones, 97, E. F. Ashdown, 97 | 100 |
| WIMBLEDON CUP | 15 shots at 1,100, F. W. Jones, 98 | 75 |
| ALBERT | 10 shots at 800, 900 & 15 at 1,000, F. W. Jones, 170 E. F. Ashdown, 167 | 175 |
| HALFORD MEMORIAL | 15 shots at 900, 1,000, F. W. Jones, 147 Record, E. F. Ashtown, 144, | 150 |
| EDGE | 15 shots at 1,000, 1,100, F. W. Jones, 146 Record E. F. Ashdown, 141 | 150 |
| HOPTON MATCH RIFLE AGGREGATE | F. W. Jones, possible, 10 shots at 900 possible, 10 shots at 1,000. possible, 7 shots at 1,000 possible, 7 shots at 900 possible, 10 shots at 900 possible Cecil Mack 10 shots at 900, | 750 |
| EANDOO | | 726 Record. |
| FREEMANTLE | | |
| WISTOW | | |
| DOYLE | | |
| ASSOCIATION CUP | | |
| M. R. TRYO | | |
| KINGS NORTON AGGREGATE | | |
| GATE | | |
| ECHO SHIELD | possible, ties with Mr. Blood, Jones wins in shoot off. Mr. Jones made highest score of the winning team. | |

The "SPHERE", an English weekly illustrated, sums up British opinion on the performances of Ross rifles (made in Quebec), with the words: "A plague of possibilities."

Rich Trophies Secured

The following rich events were captured by the Ross rifle at Bisley.

FIRST PRIZE:—

The "EDGE", open to all comers and to all rifles, distances 1,000 and 1,100 yards, prizes aggregating £50, contributed by Major Edge.

FIRST PRIZE:—

The "HALFORD MEMORIAL" Challenge Cup, open to all comers and to all rifles, distances 900 and 1,000 yards, prizes the Cup and £60, of which £15 is given by Lt. Col. Mellish, V.D., the remainder being interest on £600 constituting the Halford Memorial Fund, and money added by the N. R. A.—

FIRST PRIZE:—

The "HOPTON" Challenge Cup, open to all comers and to all rifles, prizes a Challenge Cup presented in 1900, by Col. Hopton, late H. L. I., and Ten Guineas given by the Hon. W. F. D. Smith, M. P., and £9, 10s, added by the N. R. A.—

SECOND PRIZE:—

The "WALDEGRAVE", open to all comers and to all rifles, distance 800 yards, prizes aggregating £50 donated by the N. R. A.—

The "HOPTON" Challenge Cup is what is known as the Match Rifle Aggregate that is, it is awarded to the competitor who makes the highest aggregate scores in the "Albert", "Bass", "Brownlow", "Edge", "Halford Memorial", "Waldegrave" and "M. R. Wimbledon Cup."

The victor in this competition, as well as that for the "EDGE", is Mr. F. W. Jones, of the National Rifle Association. In the "Hopton" match he won by four points more than has ever been secured, and in the "Edge" shot with the new Canadian Ross Rifle and ammunition.

The London "Daily Telegraph," commenting on this says, "Mr. Jones has won the 'Hopton' cup with a score of twenty points more than the trophy was gained with last year. His scores were

| | |
|-----|---------------------|
| 170 | in the Albert, |
| 97 | " Bass, |
| 146 | " Edge, |
| 147 | " Halford Memorial, |
| 98 | " Waldegrave, |
| 68 | " Wimbledon Cup, |

"being a total of 726 out of a possible 750, breaking all records."

English Press on Ross Rifles

MORNING POST—July 16th.

"Long range champion—breaks all records—a rifle of wondrous precision."

DAILY EXPRESS—July 16th.

"Records broken at Bisley—fine Canadian rifle."

DAILY TELEGRAM—July 16th,

"Record scoring."

NEW YORK HERALD—July 16th.

"Champion of the year."

FIELD—July 16th.

"Performance phenomenal."

DAILY MAIL—July 15th.

"Success of the new Canadian rifle; an unexpected and altogether wonderful appearance."

STANDARD—July 15th.

"Triumph for Ross Rifle"—"Ross beats all the world's rifles" "Lee-Enfield now obsolete; scrap it."

NOTTINGHAM GUARDIAN—July 17th.

"Many experts declare that Ross better than now U. S. rifle. Ross rifle renders Lee-Enfield obsolete."

MORNING POST—July 15th.

"An individual triumph"—"Lee-Enfield hopelessly behind."

EVENING STANDARD—July 15th,

"Achievements truly remarkable."

DAILY EXPRESS—July 15th.

"Victory for the Ross rifle from Canada."

THE TIMES—July 16th.

THE MERITS OF THE ROSS MATCH RIFLE—"After having been yesterday in the unhappy position from a patriotic point of view of being forced to compare our own service rifle and that of the United States very much to the disadvantage of the former, it is a pleasure today to refer to one that has been much in evidence during the first three days of the meeting and which can claim to have been designed manufactured and used as a service weapon within the limits of the Empire."

(Then follows a column of praise).

THE SPHERE—July 25th.

"A plague of possibles."

MORNING POST—July 16th.

"Mr. Jones shot throughout with the Ross rifle and has undoubtedly succeeded in demonstrating that this arm, which has been served out to the Canadian Militia is of wondrous precision."

Standard, July 16.—Article headed "Triumph for Ross rifle" says "the battle of the rifles at the National Rifle Association Meeting today took an unexpected turn, when attention was diverted from the American Springfield and the other arms, to the Ross rifle, which has been adopted by the Canadian government. The successful marksman, F. W. Jones, won both the big long range matches today, the Halford and the Edge, with it, finishing ahead of Springfields. Enfield-Mannlickers and all the field of the world's rifles.

Of the 23 Canadians who competed at Bisley, Lieut. Mortimer captured the highest winnings £54—he used the Ross rifle.

Used in Instruction Camps for Target Practice

The Ross rifle has been used for target practice in all camps of instruction this year, with the exception of Goderich. Owing to newspaper attacks and attacks in Parliament, the rifles were subjected to the closest possible inspection and criticism. In all, over 2,000 rifles have been issued, and each fired by 5 to 10 different men, many of whom never handled a rifle before. The rifles were subsequently subjected to the most severe test possible, that of being manipulated by untrained men. The results have been most satisfactory. No accidents of any kind have occurred, and the musketry practice of 1908 shows better results than any heretofore in the camps of instruction. Statistics are not yet fully prepared, but at Niagara, the largest training camp in Canada, where there were 5,000 men trained, only 20 men out of this large number failed to qualify. In 1907, when the firing was done with the Lee-Enfield, some 400 men failed, and thus lost their efficiency pay. In Three Rivers, Levis, Sussex and Charlottetown camps, there was less than 1% of failure, and the regulations have been more rigidly enforced than ever before.

Rifles and ammunition are undergoing constant changes and improvement, and the Ross rifle has, like the rifles of other countries, been modified in accordance with experience.

The Minister of Militia and Defence, in spite of ignorant criticism by so-called experts, has adopted the principle of manufacturing a rifle in Canada, and has authorized changes as required. The results speak for themselves in the splendid showing made by the Ross rifle in the hands of the militia, who after all are the men to whom we look for defence in time of trouble, more than to politicians, whose only interest in the rifle appears to be to make capital for campaign purposes.

Rifles Delivered

The charge has been industriously circulated that the Government have paid large amounts of money for rifles that have not been delivered. This is not the case. A few figures will dispose of this branch of the subject:

Rifles delivered to date.
45,000

Total paid to Ross.
\$1,186,776

There are 17,000 rifles on order now, 7,000 balance of orders given previous to October, 1906, and 10,000 on order dated March, 1908. Every rifle paid for has been delivered in good condition and passed inspection, and at no time have the terms of contract with respect to paying progress estimates been violated. Upon the 17,000 under order now, the sum of \$106,250 has been paid.

Rejected or Dangerous Rifles

There has not been a single rifle rejected permanently. Some slight accidents have occurred, which have done damage easily repairable. The Ross rifle is not dangerous, and the statement that it is dangerous is a diabolical invention intended to injure the rifle, injure the factory, alarm the militia of Canada, and discredit the Government. The magnificent scores made, the glowing tributes of the European press are a sufficient answer to these calumnies.

Canada is to be congratulated upon the possession of a rifle factory turning out the best small arm made in the world to-day.

Borden's Halifax Platform

Promises with Strings Attached. Pledges Qualified by Impossible Conditions. Reservations. Ifs and Buts

BRIBE FOR THE NEW PROVINCES

He Would Restore them their Lands but they Would have to Pay the Dominion Government for them upon "Fair Terms."

Government By Commission

Responsible Government to be a Thing of the Past. His Schemes Would Involve the Country in Millions of Debt

The platform submitted by the Conservative party upon which they ask to be returned to power has been described as the platform of platitudes, platform of reservations, platform of "ifs" and "buts." It abounds in promises with strings attached, and is rich in pledges encumbered with conditions impossible of realization.

The platform of Mr. Borden cannot obscure the record of the Conservatives. However good or indifferent the platform may be, it does not change the situation. THE CONSERVATIVES WERE HURLED FROM POWER BY AN INDIGNANT AND OUTRAGED ELECTORATE because of extravagance, grafting, electoral corruption, bribery, incompetence and incapacity, coupled with utter failure to grasp the problems which had to be solved before Canada could enjoy permanent prosperity. Let us examine the platform.

Honest appropriation and expenditure of public moneys in the public interest. Such a sentiment to emanate from Conservative sources horders on the ludicrous. How brazenly the Conservative government voted and expended public moneys for private and partisan purposes, and offered bribes to greedy followers, and to the baser element of certain communities, are embalmed in the records of Parliament. In Tory days the rule was to GIVE CONTRACTS TO THE HIGHEST TENDERER AND EXACT IN RETURN A SUBSTANTIAL CONTRIBUTION TO TORY CAMPAIGN FUNDS. Millions of the people's money were squandered in this manner.

Conservative Reign of Graft

Public attention having been so much directed at graft and the alleged improper use of public money, it might be well to take a glance at Conservative history in this regard. If the Liberals were turned out of power, the Conservatives would succeed them. It would be interesting to know how the Conservatives acted when they were in charge of public affairs.

Take the McGreevy-Langevin scandal; the figures are sufficiently eloquent without comment.

McGreevy-Langevin Steal

| | | |
|--|----|-----------|
| Cost to contractors of work done..... | \$ | 2,184,250 |
| Cost to country..... | | 3,138,234 |
| Contractors' profit, a large part of which went into the Tory campaign fund..... | | 953,975 |
| Loss to country after deducting fair profit..... | | 700,000 |

Curran Bridge Graft

| | |
|----------------------|------------|
| Estimated cost..... | \$ 122,000 |
| Actual cost..... | 430,000 |
| Loss to country..... | 270,000 |

Dredging Wet Basin

The Conservative Government gave a contract to dredge 800,000 cubic yards at 35 cents per yard, although more difficult work of the same character had been executed at 27 cents per yard. The contractors made a profit of \$174,787. The contractors contributed \$25,000 of their loot for the campaign fund.

Levis Graving Dock

The Conservative government paid the contractors the sum of \$125,000, and out of this sum the contractors donated \$22,000 to the Tory campaign fund.

Cross-Wall Contract

| | |
|--|------------|
| Amount paid to contractors..... | \$ 832,448 |
| The contract being awarded to the highest tenderer, the loss to the country was..... | 70,000 |
| Contribution by contractors to the Tory campaign fund..... | 25,000 |

Esquimaux Dock Graft

| | |
|---|------------|
| Contract let for..... | \$ 374,559 |
| Excess over tender of Starrs and O'Hanly..... | 35,614 |
| Amount paid to contractors..... | 581,841 |
| Contractors' profits..... | 240,979 |
| Donation to Tory campaign fund..... | 27,000 |

Harris Land Job

The Conservative Government purchased a piece of property in St. John, N.B., for \$200,000. The owners swore it was worth \$93,401, and the assessed value was \$60,000. Mr. Adams, Conservative member for Northumberland, N. B.; denounced the purchase as a job, and said three prices were paid for the land.

The Tay Canal

This is a ditch running from the Rideau Canal six miles to the town of Perth, the home of Hon. John Haggart. In 1882 a vote of \$50,000 was asked, and the total cost was estimated at \$132,800.

In 1883 another vote was asked, and the total cost estimated at \$240,000.

In 1884 another \$100,000 was asked for.

In 1887 it was stated that the cost to date had been \$256,000, and \$55,000 more was needed to finish the work.

In 1888 another \$78,000 was voted, and the statement made that the work was completed.

In 1889 another \$25,000 was voted "to complete the work."

In 1890 another \$10,000 was voted "to settle with the contractors and finish the canal." Afterwards in the same session, \$20,000 was asked and voted.

In 1891 another \$30,000 was wanted to "complete the canal."

The annual cost of maintenance was about \$28,000 and revenue nothing.

The Galops Canal Scandal

| | |
|--------------------------------|-----------|
| Original estimate of cost..... | \$300,000 |
| Actual cost to country..... | 900,000 |

Other Tory Scandals

The great Pacific scandal in which a public franchise was sold for contributions to the election funds is well remembered by the people of Canada. There were many others of greater or less magnitude. Here are a few of them: The Langevin Block, the St. Charles Branch, Northwest land grabbing, the Caraquet Railway scandal, the Turcotte whitewash, the Dead Meat scheme, the Blind Shares scandal, the Oxford and New Glasgow Railway, the Yamaska Dam, the Farnham Post Office

One might enumerate hundreds of atrocious scandals committed by the Conservative government as the result of which they were thrown out of office—**WOULD THEY BE ANY BETTER IF RETURNED TO POWER?** No, rather they would be worse, having been twelve years in opposition, they would be hungry to lay their fingers on the public treasury, and the scandalous doings of early days would be repeated tenfold by a horde of office hungry politicians.

In the face of a dirty political record such as the above, given in faint outline only, the Conservatives have the audacity to think that the people of Canada will return them to power. They put on a semblance of righteousness, and charge the government of Sir Wilfrid Laurier with extravagance, graft, and other forms of wrongdoing, and forget in the meantime that they were turned out of office for the very same offences which they allege against the present government. The people of Canada will not hand over the government to the men who proved faithless to their trust, or turn out of office their most progressive statesmen.

History of Tary Corruption

The plank pleading for, and pledging the party to, honest elections provokes a smile. Can this be the political party which agreed to sell the charter for the Canadian Pacific Railway to Sir Hugh Allan in exchange for a campaign contribution of \$360,000?

What is the value of this pledge made by a party, **ONE OF THE LEADERS OF WHICH SENT THIS LETTER TO SIR HUGH ALLAN?**

"Dear Sir Hugh:—The friends of the government will expect to be assisted with funds in the pending elections, and any amount which you or your company shall advance for that purpose **SHALL BE RECOUPED TO YOU.** A memorandum of immediate requirements is below."

Then follows a request for the modest sum of \$110,000 as a starter.

This was followed by a telegram from the leader of the Conservative party in these words:

"I must have another \$10,000. Will be the last time of calling. Do not fail me. Answer to-day. (Sgd.) John A. Macdonald."

THIS FLAGRANT ACT OF POLITICAL CORRUPTION WAS KNOWN AS THE PACIFIC SCANDAL.

Such was the fiendish ingenuity practiced by the party which now pleads purity in elections, to steal the franchise in Manitoba in 1896, that they issued instructions to agents to perpetrate the ballot frauds known as "SLIPPING," "SWITCHING," "STUFFING" AND "SPOILING" BALLOTS. The party guilty of this political crime are now pleading to be returned to power on a plank advocating the sacredness of the ballot box.

WILL THE PEOPLE PLACE FAITH IN THE SINCERITY OF A PARTY WHICH PARTICIPATED IN, AND CONDONED THE ELECTION FRAUDS OF East Hastings, King's County, Prince Edward Island, West Middlesex, Queen's County, N. B.; Halcimand, Chicoutimi, West Northumberland, South Grey, North Middlesex, South Victoria, Muskoka and Parry Sound, South Wentworth, Chateauguay, Brome, Carleton, East Elgin, East York, Kent, N. B.; South Ontario, Lincoln and the wholesale bribery in Quebec?

Laurier Reformed Civil Service

While the Conservatives are talking civil service reform, the Liberal government are **BRINGING IT ABOUT.** The Conservatives had a report in their possession for years and did nothing. **SIR WILFRID HAS ALREADY ENACTED LEGISLATION IN THIS REGARD.**

Only Best Immigrants Bonused

On the subject of immigration the platform advocates abolition of the bonus system, except under very special circumstances. **THIS IS THE VERY POLICY NOW IN FORCE,** bonus is only paid on the better class of immigrants, such as are desirable in this country.

Tories Squandered Public Lands

The plank referring to the administration of the public domain, recalls the fact that the Conservatives when in office GAVE AWAY TO RAILWAY CORPORATIONS 56,087,072 ACRES OF LAND, and in contrast to this is the fact that the Liberal government SINCE ASSUMING OFFICE HAS NEVER GIVEN AN ACRE TO A RAILWAY CORPORATION.

The Conservatives alienated 30,000 square miles of timber while in office, OF THIS, 23,087 SQUARE MILES WERE GIVEN AWAY FREE. In one year they divided among themselves, Senators, members of parliament, and political supporters, 10,326 square miles of timber WITH NOT A DOLLAR GOING INTO THE TREASURY.

The pledge to protect the domain of the country may be taken for what it is worth. WHAT THE CONSERVATIVE PARTY DID BEFORE IT IS LIKELY TO DO AGAIN, if given the opportunity.

Liberals Created Surplus in P. O.

There is a pledge to improve the postal facilities. The Liberal government are improving the facilities continually. Last year \$765,000 was expended in extending and improving the service, and the sum of \$430,000 was used to increase the pay of postmasters, AND AFTER ALL THIS ADDITIONAL EXPENSE THERE WAS A SURPLUS OF \$1,100,000.

This showing is better than any promise. IT IS A PERFORMANCE WORTHY OF CONTINUED CONFIDENCE in the present administration.

Laurier Performed, Borden Promises

The platform advocates wider powers and more extended jurisdiction to the Railway Commission. This is another instance in which the people are invited to accept a vague promise and ignore an actual performance. Sir Wilfrid Laurier HAS ALREADY placed telegraphs and telephones under the jurisdiction of the Railway Commission, THUS ENLARGING ITS POWERS AND EXTENDING ITS JURISDICTION.

Tariff Produces Big Revenue

The allusion to a tariff policy is so vague that one fails to see any advantage put forward which would approach the benefits now derived by the people from a fiscal policy WHICH PRODUCES A REVENUE, as it was designed to do, and at the same time affords PROPER PROTECTION TO OUR MANUFACTURING INTERESTS.

Mr. Borden probably appreciated the difficulty he was confronted with in the demands of the high protectionists, and those who wanted what they call adequate protection. So this plank was accompanied by these comforting words, "having due regard to the interests of the consumer, as well as to the just claims of our wage earning population."

Would Burden Country With Debt

Mr. Borden advocates the establishment of a system of national telegraphs and telephones, under conditions which shall be just to capital already invested in those enterprises.

If this means anything, it means the purchase of existing enterprises. SUCH A COURSE WOULD INVOLVE THE COUNTRY IN MILLIONS OF DEBT, and would precipitate the government into a business with which it was not familiar, and commit the country for years to come to an amount of money for extensions and improvements that would be simply appalling. Of all the pledges, this is one of the most inconsistent and unreasonable. THE PEOPLE CANNOT AFFORD TO RETURN TO POWER A PARTY PLEDGED TO BUY ALL THE TELEGRAPH AND TELEPHONE LINES IN THE DOMINION.

Must Be Responsible To People

Mr. Borden would manage our government railways by a Commission. Mr. Borden is wedded to the idea of Commissions. He would divest the administration of so much power that responsibility to the people would be only a name. A Commission "free from partisan control or influence" would be responsible only to itself, and the people would be left WITHOUT A REMEDY in case of malfeasance in office or incompetency on the part of the Commissioners.

Bribe With String Attached

The unique plank in the platform is the following:
"The restoration of the public lands in the provinces of Alberta and Saskatchewan upon fair terms."

This clause is well drafted. It discloses the combined effort of the EMINENT LAWYER AND THE SKILFULL POLITICIAN. With one part of the sentence Mr. Borden appeals to the cupidity of the people, and with the other he provides against adverse criticism of his legal ability.

It may safely be stated that Mr. Borden is perfectly familiar with the legal aspects of the land question, as it affects the new provinces. The status of the lands now included in the new provinces IS DETERMINED BY LAW AND BASED UPON HISTORY. With both the history and the law, Mr. Borden is familiar, and when he holds out a hope to the people of Alberta and Saskatchewan that they can acquire the lands now included in the two provinces, upon the plea that they have been wrongfully deprived of them, he knows, no man better, that such contention cannot be supported by history, nor based upon law,

Lawyer And Politician.

An examination of the phraseology of the plank in the Conservative platform touching this matter discloses THE ACUMEN OF THE LAWYER AND THE CRAFTINESS OF THE POLITICIAN. The plank says, "the restoration of the public lands." The introduction of the word "restoration" suggests that the lands have been unjustly retained by the Dominion, and that restitution or satisfaction must be made. It is NOT USUAL AT LEAST TO RESTORE THAT WHICH HAS NOT BEEN TAKEN AWAY, and one can scarcely be said to restore property, the title to which remains undisputed. This is one feature of the case.

Where The String Appears

Another feature of this plank is the CRAFTY MANNER IN WHICH IT HAS BEEN WORDED. After providing that the lands must be restored, Mr. Borden says, "upon fair terms." What does this mean? If it means anything at all, it certainly means THAT THEY SHALL BE PURCHASED FROM THE DOMINION GOVERNMENT. If the lands already belong of right to the provinces, and they have been wrongfully taken by the government, and must be restored, then reparation should be complete, the provinces should not be asked to pay for their own. HEREIN IS THE INHERENT WEAKNESS OF MR. BORDEN'S POSITION. He is willing to suggest to the people that they have been defrauded of their land, because he pledges himself to restore it. He is also willing that THE NEW PROVINCES SHOULD PAY FOR THE LAND UPON ITS RESTORATION, BECAUSE HE KNOWS WELL THAT THE LAND WAS NEVER OWNED BY THE PROVINCES.

Dominion Owns The Lands

The lands out of which the provinces of Alberta and Saskatchewan were carved were purchased by the Dominion Government from the Hudson Bay Company

for \$1,500,000. These lands were originally included in Rupert's land, and after their purchase from the Hudson Bay Company were designated the North West Territories. Having become the property of Canada by purchase, Canada proceeded to administer them with the view of inducing a population by an energetic immigration policy at the expense of the Dominion. The only revenue was from the sale of public lands, a matter of trifling moment in the days of heavy expenditure for the purposes enumerated.

At this time the idea of the formation of the new provinces had not presented itself within the range of practical politics. It required many years of energetic effort, the expenditure of millions of dollars for immigration purposes, and the exercise of sagacious statesmanship to make of the desolate, uninhabited prairies a desirable place for the homeseeker, a fruitful field for the industrious settler.

Dominion Paid The Cost

During this period of upbuilding and civilizing, THE LANDS WERE THE PROPERTY OF THE DOMINION, PAID FOR BY DOMINION MONEY, EXPLOITED BY DOMINION ENERGY, AND SETTLED IN RESPONSE TO DOMINION EFFORT. As the people gradually spread themselves over the territorial area, they enjoyed the advantages of Dominion protection and the unearned increment of property value as a direct result of Dominion policy. In due course self government was bestowed upon the territories which entailed another expense upon the general revenue of Canada. The lands which the Dominion had bought years before began to assume a more definite value, as population increased, and the beneficial effects of intelligent administration by the Federal authorities were demonstrated.

In due course the Liberal government, following a well defined policy with respect to the growing west, decided to respond to the legitimate aspirations of the people, and proceeded to create out of the territories two provinces, to be known as Alberta and Saskatchewan.

It must be clear to any reasonable mind that the land now included in the new provinces IS THE PROPERTY OF THE DOMINION, and has been so since the date of its purchase from the Hudson Bay Company. Upon what ground, then, can Mr. Borden pledge himself to "restore" it? THE PROVINCES CREATED IN 1905 HAD NO LAND. The area out of which they were carved was purchased by the Dominion government years ago, and nothing short of a divesting act could pass the title from the Dominion government to the provinces.

Recognizing that the new provinces had no land, and would therefore require some equivalent to pay the expenses of government, the autonomy bills contained generous provision by way of yearly subsidy. This was not given in exchange for the lands, but was given to supply the needs occasioned by the absence of land.

This subject is one of interest to every province in the Dominion. For years past the several provinces have seen vast sums of money spent for the purpose of developing the west. There has been some adverse criticism that huge sums should be expended for the benefit of one section of the country, but the answer has been that the SALES OF LAND BENEFIT THE DOMINION AS A WHOLE, and the influx of settlers to the west makes business for the east.

Could Not Redeem The Pledge

A man who holds out inducements in the hope of securing votes IS ACTING A DISHONEST PART, if it be beyond his power to redeem the promises made. It is much to be regretted that the Leader of the Opposition has held out hopes to the people of the west WHICH CANNOT BE REALIZED, and that the new provinces—which have commenced their career under such favourable conditions—should have the seed of discontent sowed in their midst by one who aspires to be Premier of the Dominion.

CIVIL SERVICE REPORT

Was Based upon Evidence of One Side Only—Delinquent Officials
Were Tory Appointees and Promptly Suspended
by the Government.

AIDS TO NAVIGATION

System Installed by the Marine Department Resulted in Reducing
Insurance Rates \$500,000 per annum.

The Civil Service Commissioners made a report in which two departments, Marine and Fisheries and Militia, were referred to in uncomplimentary terms. The whole sum and substance of the criticism was directed at officials first, and secondly at the dealings with Mr. Willson President of the International Marine Signal Co., Ottawa.

In the first place the officials whose names were brought into question were without exception appointees of a former Conservative Government. They were not Liberal appointees. The accounts alluded to as extravagant, were certified by these officials as "fair and just" and were then paid. The auditor-general relied upon the honesty and integrity of the men who made the certificates, and any censure should attach to the Tory official who certified to an exorbitant account, if such were the case, and the blame, if any, should attach to a Liberal Government for acting upon the certificate, and relying upon the honesty and competency of Tory appointees.

The present government promptly suspended the officials whose acts had brought discredit upon the administration, and a new commission issued to Judge Cassels to make a thorough investigation and find out who is to blame. This investigation is now proceeding.

AIDS TO NAVIGATION.

The aids to navigation installed by this government through the instrumentality of the Fog Signal Company, have revolutionized navigation on the lower St. Lawrence. The inventions of this company are the most wonderful things in the history of navigation. No better proof can be submitted than the record this last year. Not one vessel lost in the St. Lawrence. The only place where an accident occurred was at Belle Isle, a point which Mr. Willson has offered for two years to make absolutely secure. The government has decided to place an aid to navigation at this point also.

SAVING IN INSURANCE.

It has been estimated that \$500,000 were saved last year by the lesser insurance rates in consequence of the work done by the government in maintaining the patented devices of Mr. Willson in the lower St. Lawrence. The record of no loss during the year is forcible testimony that the dealings with the Fog Signal Company were decidedly in the interests of the country.

VIEWS OF SHIPPING FEDERATION.

Mr. Robb Secretary of the Shipping Federation of Canada, giving evidence before Judge Cassels, said that the shipping trade and shipping interests were leaving Canada, and giving to United States ports, on account of extra insurance necessitated by dangers to navigation. This evidence in part was as follows:—

"All these things have been remedied by dredging and improved lighting. We have an improved service of acetylene buoys, the finest in the world—Willson buoys. I know of no buoy to compare with the Willson buoy in any respect. I think the change to acetylene was an improvement. It was essential to change to the stronger light. Otherwise, the shipping companies here would not have been able to compete with the competition from United States ports."

"I know of no case where individual interests were considered. The work began in 1904 and has been continued ever since, and is not complete yet. I can tell you that when the Federation thought anything would cost too heavy, we hesitated before asking for it. We had no information as to the cost of the Willson buoys at the time the Federation recommended the change to acetylene and the Willson buoy."

Questioned regarding the diaphone—the fog buoy—Mr. Rohh said that all shipping masters spoke well of it. Replying to His Honour, he explained that it guided as well as warned during a fog, for it indicated to ship masters the direction to follow.

"So far as the dredging and other work in connection with the river is concerned, it has astonished me now to see what a small sum has been spent."

MR. ALLAN ON LIGHTHOUSE BOARD.

Mr. Allan, of the Allan line giving evidence before Judge Cassels, referring to the lighthouse board said:—

"I think it is the most fortunate thing that ever happened the shipping interests of this country that the Lighthouse Board was established as it was. Any man who knows the first thing about the shipping business could not go from Montreal to the sea, even as a passenger, without having forced upon his attention the tremendous strides that have been made in the improvement of the St. Lawrence navigation. Take merely the most elementary instance. Today the largest steamer can navigate between Montreal and Quebec, which they could not have done before the present lights were adopted. I cannot use words strong enough to express my surprise that anyone would make such statements as those."

REPORT LIBELLOUS AND SCANDALOUS.

Alluding to the strictures of the commissioners with respect to the independence of the board, the following is an extract from the proceedings before Judge Cassel.

"Mr. Allan—"Yes; I believe that I have acted in every case before the board exactly as I would if I had been a lawyer or any other professional man attending to the interests of the people I represented, and I have never, in thought or in wish, deviated one iota from that viewpoint. I would defy anybody to bring up any item that has ever been passed by that board that was in the interests of the shipping and against the interests of the country."

Mr. Watson—"These words, then, appear to be grossly libellous on good men?"

Mr. Allan—"Yes, they are."

To Judge Cassels Mr. Allan stated that there were fifteen different steamship lines plying on the St. Lawrence route, and that anything which would benefit one line would benefit all equally.

Mr. Watson—"Then the words of this report are scandalous?"

Mr. Allan—"Absolutely."

No act of Corruption has been charged against any member of the Liberal Government.

While exception has been taken to the prices paid in trivial instances, it has never been charged that prices were corruptly paid.

In every case the prices paid were certified to as "fair and just" by Tory appointees.

Every official against whom anything wrong was alleged has been promptly suspended by the Government.

HOW RUM AND MONEY WON COLCHESTER, N.S. FOR "PURITY PARTY"

Disgusting Exposure in Court of Methods Employed to Break the
Solid Eighteen. Flagrant Acts of Corruption Practiced
to Debauch Electorate.

Tory Promises vs Tory Practices

When John Stanfield was elected for Colchester, N.S., the Conservative press acclaimed the fact as a triumph of virtue over vice. The free expression of the will of an untrammelled people. A vindication of the party which preaches political purity, an object lesson going to prove what can be accomplished with a clean campaign. A forerunner of what would happen throughout Canada when the uninfluenced will of the people finds free expression at the polls.

Congratulations Received.

When it had been declared that John Stanfield had broken the ranks of the solid eighteen in Nova Scotia, congratulatory telegrams were sent. Here are samples.

"A victory for the cause of good government"—R. L. Borden, Geo. Taylor, Chief Whip of the opposition described it as "a great victory". C. E. Tanner, a Tory political leader and apostle of purity, wired; "Well done, Colchester". Geo. W. Stuart wired that the election of John Stanfield was "a fitting rebuke to the impudence of the Finance Minister and the beginning of the end of the vampires, who have been sucking the life blood out of the honest people of this Canada of ours."

How it was won.

How was this great victory won? It seems almost incredible that human nature should be so depraved, but the facts justify any comment however severe. John Stanfield won the election at Colchester by a wholesale system of debauchery and corruption. Through the instrumentality of one Bayne, an American, rum and money were circulated in unlimited quantities. Bayne kept open house, booze was given away by the dozens of flasks at a time. The whiskey was put up in this convenient form for easy circulation. Men carried it away in valises, suit cases and baskets. Stone jars were filled and carried to the barns, and there the thirsty electors were entertained. One man found a basket of whisky on his door step, he didn't know who put it there, he only remembered supplying the basket.

This man Bayne was provided with a roll of money, to one man he gave fifty dollars, at a clip, and sums of \$5. were handed out with an abandon truly remarkable. In Bayne's room in the Stanley House, whiskey was always on tap. There a party of the faithful were always in attendance, led by Frank Stanfield, brother of John the candidate. After visiting Bayne in his room and taking drinks voters made their way to the dining room where they found a good meal without money and without price.

Whiskey arrived for Bayne by the barrel, it was delivered to his hotel and dispensed with a lavish hand. Whiskey labelled "Choice Tomatoes" was sent from

Halifax by express, and a leading member of the Conservative Association held the horse of the man who went to the express company for the goods.

John Stanfield lent his valise to a party who visited Bayne in his room, and took the valise with him, when he came down the valise was full, and in that condition was placed in a buggy with two others, and the men who were in the buggy proceeded to a near by town to speak in the interests of clean politics.

Another fortunate man left his valise in Bayne's hotel overnight, and when he got it again it was full of rum and cigars.

Only Samples of Corruption.

The particulars given above are samples of the sworn testimony given at the trial. The startling particulars of the wholesale bribery and corruption at Colchester show how John Stanfield was able to break the ranks of the Solid Eighteen.

Ritchie Saw Them All.

Mr. Ritchie the Conservative leader and counsel for Bayne, secured a room in the Hotel near Bayne, and after witnesses had been served by the crown, they invariably met Bayne on the street who asked them to take a drink and then directed them to a room in the hotel where there was a man who wanted to talk to them. One by one they went up stairs and in the room they found Mr. Ritchie, Counsel for Bayne. None of them remembered what Mr. Ritchie said to them, but the visit seemed to strangely affect their memory.

EXTRACTS FROM EVIDENCE.

ALEXANDER McDONALD: Called, sworn, and examined by Mr. Power, K.C.

Q. You know Mr. A. R. Bayne?

A. I know him when I see him.

Q. Since you got the subpoena have you seen Mr. A. R. Bayne?

A. Oh, yes.

Q. When did you last see him?

A. I saw him last night and this morning.

Q. Where did you see him last night?

A. I saw him in the Stanley House.

Q. What part of the Stanley House?

A. I saw him in his room.

Q. Was he alone?

A. No. There were two or three different ones there.

Q. Two or three different gentlemen with him?

A. Yes.

Q. Could you tell us the names of any of the gentlemen?

(objected to by Mr. Ritchie)

THE MAGISTRATE: I think it is proper.

Q. You say you were in the Stanley House in Mr. Bayne's room with two or three other gentlemen?

A. Yes.

Q. Will you give us the names of the other gentlemen?

A. Owen Lewis, Harvey Wells, Frank Stanfield and myself.

Q. How long were you there?

A. I was there about half an hour.

Q. Everybody was pleasant?

A. Oh yes.

Q. Any drinking going on?

A. Yes. There were a few drinks.

Q. What did the conversation turn on, the crops or the election, which?

A. It was on the election.

Q. On this matter here that your were subpoenaed about?

A. This was what it was on.

Q. Will you tell us what was said, as near as you can?

A. Well, I just forget what was said.

Q. Were you invited to tell what you knew about it?

A. Mr. Bayne wanted me to come out and have a talk to Mr. Ritchie, so I went out.

Q. Mr. Bayne wanted you to leave the room and have a talk with Mr. Ritchie.

A. Yes.

Q. Mr. Ritchie was not in the room?

A. No, he was not there.

Q. What did you say, did you decline?

A. I went out. I did not know who Mr. Ritchie was.

Q. And you had a talk to him?

A. Yes.

Q. But you were talking over the evidence you were going to give here today?

A. Yes.

Q. Who was doing the talking?

A. Mr. Ritchie.

Q. Before you got in there, you have told us here that he asked you to forget some things?

A. That was understood as near as I could make it out.

Q. That was all to help him out?

A. That is the way I took it.

Q. What were the things he suggested to you that you ought to try and forget?

A. I got money and I got rum from him.

Q. THE MAGISTRATE: Tell us what Mr. Bayne said to you—tell us what he asked you to do?

A. He as much as asked me to say I got nothing from him. (Objected to by Mr. Ritchie).

THE MAGISTRATE: Give us the words?

A. That I got nothing from him.

Q. That is, he wanted you to come here today and say you got nothing from him?

A. Yes. (Objected to by Mr. Ritchie.)

Q. The night before the election had you any transaction with Bayne?

A. Yes. I was talking to him quite a bit.

Q. Anything else?

A. There was some liquor passed.

Q. How much liquor?

A. Well, I don't know. There was some bottles and some flasks.

Q. Will you say a dozen?

A. No, I hardly think there were.

Q. Half-a-dozen?

A. Somewhere's about half a dozen.

Q. Where did he take the liquor from, his pockets, his bag, his valise, or his trunk; what do you say?

A. He took it out of a trunk.

Q. Tell us frankly and squarely what took place between you?

A. Mr. McDonald and I met him and we went into a room away in the back of a shop, a kind of office, on the street that leads up to the station, and I think McDonald and he were talking first, and I said to him in this way is there no way that you can settle this or something like that—I meant that the evidence would be against him; and he says I never gave you anything, as near as I can remember the words.

Q. Is that all that was said?

A. Yes.

Q. Did you challenge that statement—did you disagree with that statement?

A. Yes.

Q. Do you remember the last election in this county?

A. Yes.

Q. You remember the nomination day?

A. Yes, Sir.

Q. Did you see Bayne that day?

A. Yes.

Q. Did you get anything from him that day?

A. Yes.

Q. What did you get?

A. I got a little roll of cash.

Q. How much cash?

A. Thirty dollars.

Q. Anything else?

A. Yes. I got some booze.

Q. How much booze?

A. Something over a case.

Q. More than 12 bottles?

A. It was flasks.

Q. There would be 24 in a case?

A. Yes.

Q. Where did you get this money and rum from the man?

A. I got the money in the Stanley Hotel.

Q. And where the liquor?

A. I got the liquor back outside of the hotel.

Q. From him?

A. From him.

Q. Both gifts. Tell us frankly what he wanted you to do with it; if he wanted you to do anything?

A. He wanted me to work for Mr. Stanfield.

Q. And what else?

A. To use this for Stanfield and "to be with us" I remember him saying; that I would be with him in this here election and all that.

Q. Where were you to distribute this money and rum?

(Objected to by Mr. Ritchie.)

THE MAGISTRATE: What did he tell you to do with it?

Mr. Power: What did he say; tell us all be said?

A. I don't remember all he said.

Q. Well, about all he said, or the effect of what he said?

A. He said to use this here liquor for the election; and he did not say anything about the money, whether to keep it or what to do with it, and I think afterwards, a day or so, I saw him, and he said he did not care whether I put the money into my trouser's pockets or something, that he did not blame a man to keep the money.

Q. Where did Bayne deliver this whiskey to you?

A. Right back of the Stanley Hotel.

Q. What did he have it in?

A. In a grip.

Q. Did you see a Mr. McKay there?

A. No. Not when it was delivered.

Q. I mean Senator McKay's son?

A. Yes, I saw him there before.

Q. Who with?

A. With Mr. Bayne.

Q. Before you got the liquor was McKay in company with Bayne—before you got the liquor from Bayne?

A. I might have seen them together, yes; yes I think I did, but I am not sure about that.

Q. And you say that was nomination day and election day?

A. Yes.

Q. Where.

A. In Five Islands.

Q. When?

A. The night before the election.

Q. What did you get that night?

A. About six or eight flasks and a bottle.

Q. Of stimulants?

A. Yes.

Q. From Bayne?

A. Yes.

Q. Did he say anything?

A. I remember him saying this here long bottle was for my own personal benefit—the rest was not so good and if I would handle it out would be all right for that,—to use for the election, I just forget the words.

Q. Did you see any transactions between Bayne and any one else?

A. Yes.

Q. Will you tell us what these were?

A. I saw him get—I did not see him give anyone else anything.

Q. What were you going to tell us; what had you in your mind?

A. I saw him filling up a grip of whiskey for Suther Faulkner.

Q. Where was this?

A. In the back of the Stanley House.

(Objected to by Mr. Ritchie).
Q. This valise of rum that was made up for Suther Faulkner. Is Suther a brother of yours?

A. Yes.

Q. Did you hear any conversation between him and Bayne?

A. Yes.

Q. Tell us what it was?

A. Bayne, before that, asked if one of us had a grip and he (Suther) said he had, I said I had not, and Bayne said to go out and get one, and "I will fill it for you," and I went out and bought one, and he filled them.

Q. Where was he getting the liquor?

A. Out of a case.

Q. There was no scarcity of it?

A. I can't say about that.

Q. How many bottles do you know your brother got?

A. I think there were two cases between the two of us. I got a little more than him. My grip was a little larger.

Q. Was anything said by Bayne as to how this liquor was to be disposed of?

A. To my brother or me.

Q. Yes?

A. Yes; he said that was to handle it. He wanted to know if I could do any good, and I said I thought I could that I wanted whiskey. Then he asked if I had a grip.

Q. Had he any preference for any candidate?

A. Yes, for Stanfield.

SUTHER O. FAULKNER: Called, sworn, and examined by Mr. Power, K.C.,

Q. Are you a brother of the last witness?

A. Yes.

Q. Do you remember nomination day, a week before the election?

A. Yes.

Q. Did you see Bayne that day?

A. Yes, Sir.

Q. Did you see Senator McKay's Son, W. P. McKay?

A. I think I met him, was introduced to him.

Q. Did you have any transactions with McKay that day?

A. Yes.

Q. What were they?

A. I got a little grip full of booze.

Q. Intoxicating liquor?

A. That is what they call it—it was Scotch Whiskey.

Q. On how many occasions did you get liquor from Bayne?

A. I think twice.

Q. On nomination day?

A. It was here in Truro, and on the night before the election.

Q. How much did you get in Truro?

A. A little grip full. I think it was 23 or 24 flasks.

Q. Who did you get the liquor from at Five Islands?

A. I got it down in Bayne's room in Fiva Islands. I think I got half a dozen bottles and one long bottle.

Q. On two occasions you got liquor?

A. Did he tell you what to do with it?

A. He did not tell me what to do with

it. He just asked me down here if I had a grip and I told him I had. He told me where to leave it and he would fill it.

Q. Did you see any other persons get whiskey from him?

A. No.

Q. Except you and your brother?

A. Me and my brother and McDonald.

Q. How many bottles did McDonald get?

A. I don't know; all he could get in his pockets.

1. BAYNE MORRISON: Called, sworn, and examined by Mr. Power, K.C.,

Q. Do you remember nomination day?

A. Yes.

Q. Did you see Bayne that day?

A. Yes, Sir.

Q. See if you can brush up your memory to let us know what you were talking about with respect to the election?

A. We were talking about the chances of Stanfield on the shore, how you were going to pull votes in District Number 12.

Q. Was that all?

A. No.

Q. Was anything said about money?

A. Of course that was in it.

Q. Tell us what was said about money?

A. Oh well I can't tell you all that was said about money.

Q. Tell us something that was said about money?

A. I think he said there was some money for that district.

Q. For the Liberal side or for the Conservative side for Mr. Stanfield's side?

(Objected to by Mr. Ritchie).

THE MAGISTRATE: I think you have a right to ask the question.

Q. Bayne said there was some money for your district?

A. Yes, Sir.

Q. What district is that?

A. Polling District Number 12.

Q. That is at Five Islands?

A. Yes.

Q. Was that a certainty that there would be money there or was it only conditional?

(Objected to by Mr. Ritchie).

Q. Did he tell you for sure there would be money there?

A. From what I got I was sure some of it would be there.

Q. Who did you get it from?

A. From Mr. Bayne.

Q. You got some money from Bayne?

A. Yes.

Q. Where did you get the money from Bayne?

A. In the Stanley Hotel.

Q. How much?

A. I forget.

Q. Was it \$100?

A. No.

Q. Was it \$20?

A. I told you on the start I could not swear to the amount.

Q. This was practically money picked up—about how much?

A. It was a roll of dollars—twenty dollars.

Q. Was anything said when he gave you that money what you were to do with it?
A. I can't repeat all that was said that day.
Q. Let me know if this man told you what that \$20, was for?

A. 'ib make the best use of it I could.
Q. In whose interest?
A. To Stanfield's interest. "Anybody will tell you that when they give you money to make the best use you can of it."

The evidence of these men could be duplicated by that of thirty others. The questions were the same, the answers the same. The men got whiskey by the grip full, money from \$5 to \$50, and they were all expected to help the cause of political purity by securing votes for John Stanfield. Canadian political history does not furnish a more brazen or disgusting exhibition of political corruption than the one at Colechester. Coming at a time when the Conservative party was preaching and promising clean elections, it is well for the people to remember that while all this hypocritical talk was being made to the people, the Conservatives of Colechester were packing suit cases, grips and baskets with whiskey, and sending whiskey into the constituency in cases labelled "Choice Tomatoes."

WHAT SOME MEN SWORE TO

Robie Faulkner swore he got \$50 and a grip full of flasks of whiskey. He was to use this to the best advantage for John Stanfield.
John Jamieson swore he got \$5 and some whiskey.
Josh Jamieson swore he got \$5 and some whiskey.
George Corbett swore he got two barrels of whiskey labelled apples, which he took to Bayne's hotel.—This was marked freight for Bayne.
Noble Morrison swore he got drinks from Bayne.—He was asked have you voted yet? and he replied "no" when the man said "how would a drink go" he said "all right", after the drinks he voted right.
Harwood Ackles swore he was asked to take drinks and did so.
Geo. McLellan swore that he got away with "whatever he could stagger around with in his pockets" and there was plenty left.
Walter Atkinson swore he found a two gallon keg of whiskey in his barn, and those who put it there brought men round to drink it, he had some himself.
Allen Durney swore he got four flasks of whiskey from Bayne's and "there were several cases of it where that come from".
Edward Barkhouse swore he got whiskey from Bayne who was working for Stanfield.
Arthur Stevens swore John Stanfield was in and out of Bayne's hotel during the election, so was Mr. Hall, Secretary of the Conservative Association.
Wilbur Corbett swore had drinks in Allen's barn, there was a crowd there. He took dinner at Bayne's hotel, but paid nothing.
Owen Lewis swore he found a basket containing seven flasks of whiskey on his door step. He also had drinks from Bayne. He went into Bayne's room on election day to get a drink but it was too crowded.
Howard Wells swore he got drinks in Atkinson's barn where he was directed by those in the know.
Oswald Corbett swore Bayne told him Stanfield was a nice man, and then they had some whiskey.
Thompson Morrison swore he got six flasks and two bottles of whiskey from Bayne, who told him he was working for Stanfield. He was directed to Morrison to get some money, being informed that Morrison had \$50 to pay out.
Charles Coleman swore that ten boxes of liquor labelled "Choice Tomatoes" came by express from Halifax addressed Anderson.
Ralph Aston swore that his father borrowed an empty valise from John Stanfield, which he took to Bayne's hotel, and then loaded it on a buggy, full.
L. Beecher Carr swore he got a box containing a dozen flasks of whiskey from the express office. He did not order it, did not know who sent it, he gave away about ten flasks. Said he was a strong supporter of Stanfield.

Freeman McKay swore he drove John Stanfield during the campaign. He had a case of whiskey in the buggy which was seen by the Chief of Police. He said his brother gave him the whiskey.

ALL THESE MEN WERE REQUESTED TO CALL UPON MR. BITCHIE BEFORE GIVING THEIR EVIDENCE.

COMMITTED FOR TRIAL.

The magistrate after hearing the evidence said there appeared to be but one course open to him and that was to commit Bayne for trial, which he did. The magistrate also expressed the opinion that **BAYNE MUST HAVE USED PARTY MONEY AND NOT HIS OWN FUNDS**, as the magistrate put it, **THERE IS TO MY MIND CONSIDERABLE EVIDENCE TO SHOW IT CAME OUT OF A GENERAL FUND.**

**THIS IS HOW THE PARTY OF PURITY
BROKE THE SOLID EIGHTEEN IN NOVA-
SCOTIA.**

TORY PLATFORM of 1893

AMENDED BY LIBERALS IN 1896

ECONOMY PLANK

**When the Tories were in Power, Corruption Stalked Brazenly Through
the Land. There were Scandals by the Dozen and
Millions of Dollars Stolen.**

CURRAN BRIDGE, constructed by day labour, estimated cost, \$123,000; Government Commission's estimate of reasonable cost, \$160,000; actual cost, \$430,000; stolen from the country, \$270,000; Judge Desnoyers decided Government's contract with the contractor was so drawn that he had lived up to it.

**SAMPLES OF CURRAN BRIDGE WAGES, ETC., PAID BY TORY
GOVERNMENT IN 1892-93.**

\$4.00 a day for foreman.

\$6.00 a day for foreman for night or over-time.

\$8.00 a day for foreman on Sunday.

\$12.00 a day for foreman on Sunday over-time.

\$5.00 a day for team.

\$10.00 a day for team on Sunday.

\$2.50 a day for derrick.

\$3.75 a day for derrick for over-time.

\$7.50 a day for derrick for over-time on Sunday.

Contractor puts on all the men he wishes and gets paid for them.

2,000 men on the works at one time.

Large numbers idle.

No Government time-keeper.

No regular count.

No Government foreman.

No Government supervision.

No Government record of men or materials.

No Government classification of labour.

These land subsidies foot up to 66,000,000 acres in round numbers, and at the nominal value of \$1.50 per acre, \$99,000,000 worth of land was given as subsidies to the above railway companies by Conservative Government.

These lands were locked up from sale until the industry of the surrounding settlers gave them such a value as to enable the companies to sell at high prices.

The acres of land given away in this way would give a homestead to 411,000 farmers, or a population of over 2,000,000 people.

LIBERAL AMENDMENT

Not one Acre to Railways since coming into power

TIMBER PLANK

HOW THE CONSERVATIVES DISPOSED OF THE TIMBER LANDS

29,322 square miles granted in eighteen years.

23,000 square miles given away absolutely free.

10,326 square miles divided among Conservative Senators, members of Parliament, defeated candidates, and friends of the party in one year—1883, free.

LIBERAL AMENDMENT

Liberals amended this by disposing of 6,456 square miles in twelve years, by public competition to the highest bidder.

MILITIA AND DEFENCE

Sir Fred Borden Describes Civil Service Commissioners Report as Stupid. Proves they had no Knowledge of the Subject they Commented Upon.

SHIPPING FEDERATION

Mr. Robb, Secretary, and Mr. Allan of Allan Line give Their Testimony on Work of Lighthouse Board. Report of Commission Described as Scandalous and Libellous.

The Civil Service Commission appointed chiefly for the purpose of determining whether Civil Servants were paid enough; went out of their way to attack the administration of the Militia Department. In a speech delivered in the House of Commons on July 9th, 1908. Sir Frederick Borden completely demolished the report of the Commission and proved conclusively that they did not know what they were reporting about, and that their report was not only malicious but stupid.

The Minister also took advantage of the opportunity to explain the increase of expenditure in his Department and the steps taken to bring the Militia up to a high state of efficiency.

The following are extracts from his speech:

The Militia Department can, I suppose, fairly be called a technical department. It is a department in which the expenditure of money is based upon the policy of the country. Parliament deliberately decides how large the militia shall be, what amount of money shall be expended upon it, and what shall be the policy with regard to the development and carrying out of the defence of this country. I have read over the orders in council by which this commission was appointed and I have looked in vain for any authority given by that order in council to these gentlemen to constitute themselves a committee to investigate and criticise the policy deliberately adopted by the parliament of this country. It is not their's. THEREFORE, I VENTURE TO THINK THAT THESE GENTLEMEN HAVE MADE A VERY GRAVE MISTAKE IN ARROGATING TO THEMSELVES THE RIGHT TO MAKE SUCH AN INVESTIGATION, PARTICULARLY AS THEY ARE NOTORIOUSLY, ABSOLUTELY AND UTTERLY IGNORANT OF THE FIRST PRINCIPLES WHICH GOVERN MILITARY MATTERS. But, they rushed in and we have before us, in the report of the commission what might be fairly described, I think, as an indictment against the administration of the militia service, beginning with the criticism of the policy of parliament in increasing the vote from \$3,500,000 to \$6,500,000 between the years 1903-4 and the years 1907-8 and ending with the conclusion that the efficiency of the militia is less than it was ten or fifteen years ago. I propose, as briefly as may be, to deal with some of the matters referred to in this report.

As I shall quote to some extent from the memorandum of Major-General Lake, Inspector General upon that portion of the report of the Civil Service Commission, 1908, which deals with the administration of the militia, I propose with the consent of the committee to lay this memorandum on the table, and I shall distribute copies to hon. gentlemen. I may say that when the report of the Civil Service Commissioners appeared, General Lake was very much surprised and he at once came to see me and he said he would be very glad indeed to prepare an answer which I gave him authority to do. Everybody knows who General Lake is, and everybody will agree with me that his opinion on the militia of Canada is worth more than perhaps that of any other living man. General Lake has served in Canada now about 9 years; he served as Quarter-Master General under the late government from 1893 until that government went out of power, and then on till 1898 under the present administration. Since 1904 he has been chief of the General Staff. He has served in India and he has served for a number of years in the war office. HE WAS ASSISTANT QUARTER-MASTER GENERAL AT THE WAR OFFICE DURING THE WHOLE OF THE SOUTH AFRICAN WAR AND HE HAD UNDER HIS CONTROL AND WAS RESPONSIBLE FOR THE TRANSPORT OF THAT GREAT ARMY WHICH LEFT THE SHORES OF GREAT BRITAIN AND WHICH WAS SAFELY LANDED, I BELIEVE, WITHOUT THE LOSS OF A SINGLE MAN. I think I am correct in saying that his department of the War Office is the only one that has not been criticised in connection with the South African war. I think I may venture to put forward the memorandum of General Lake on a military matter as against the report of the Civil Service Commissioners. While the Civil Service Commission was sitting I called upon the chairman of the commission and suggested to him that as military work was somewhat technical perhaps he would like to examine some other officers—he had then examined General Lake and the present deputy minister who had only at that time been four months in office as deputy although he had previously been in the department as director of medical service—and I said I would like very much if the commissioners would do me the favour of allowing me to see the questions and answers which they had received. I was received very pleasantly by Mr. Courtney and while he did not promise absolutely to do so he gave me to understand that he would. But a day or two afterwards I received from him the following letter:

October 24, 1907.

Dear Sir Frederick Borden.—Yesterday I talked over with my colleagues the purport of our interview of last Saturday, and, while we considered it very desirable to do all in our power to make our inquiries as complete and perfect as possible yet it was felt that to let the evidence get out before the production of the report would be unsatisfactory. But while we arrived at that conclusion we thought that every facility should be given to elucidate or supplement evidence either by witnesses or handing in statements to be added to the evidence—such being the case we shall be glad to see General Lake at any time that would be most convenient to himself to come before us, and anything he may wish to add will be appended to his evidence, if General Lake would kindly favour me with a call I am sure we could easily arrange a time. I have only to add that whatever course is settled upon that in view of the early meeting of parliament action should be quickly taken.

Yours very truly,
(Sgd.) J. M. COURTNEY.

Hon. Sir Frederick Borden, K.C.M.G., etc.

General Lake has appended to his memorandum a letter which he himself wrote to Mr. Courtney. Mr. Courtney sent General Lake a copy of the evidence he had given and General Lake had an opportunity of correcting it, though as you will see as I proceed, not the slightest attention was paid by the commission to the direct evidence given either by General Lake or by my deputy. Possibly it was through an oversight, but in view of the character of the report it looks very much as if the evidence was wilfully omitted. This is the letter which was written by General Lake to Mr. Courtney and which I think is of importance:

Insert 10 pt.

OTTAWA, November 25, 1907.

Dear Mr. Courtney.—I beg to return, herewith, amended and with certain notes, a copy of the evidence given by me before the Civil Service Commission, which evidence was kind enough to return, in order that I might verify my answer upon those matters which were the concern rather of my colleagues of the militia council, and upon which I was not in a position to speak with authority. I shall be obliged if you will kindly cause any portion of my evidence which may be published to be corrected accordingly.

I venture, also, to submit, with the utmost respect, the following points for the consideration of your commission. At least three-fourths of my examination was devoted to questions regarding the military administration of the militia force as carried out by military officers, not by civil servants. Some questions were put which were founded upon newspaper paragraphs, generally inaccurate, often misleading. Others were asked—see more especially questions 171, 311-313 and 328-334—which appeared to suggest that the increase of expenditure since 1892 upon militia force had not been accompanied by a commensurate increase of efficiency.

It is not, perhaps, for me to advance the contrary proposition—though I hold it—but I must submit that no conclusion of that nature can fairly be grounded upon what could only be a superficial examination of the case. I, therefore, feel it my duty to urge upon the commission that no opinion, such as might be inferred from the tenor of the questions quoted—the accuracy of which is not always admitted—ought, in the interests of justice and of the public service, to be recorded, without far more searching inquiry and examination than the present commission has been able to give.

Believe me,
Yours sincerely,

(Sgd.) PERCY H. N. LAKE,
Major-General, C.B.

J. M. Courtney, Esq., C.M.G., I.S.O.,
Chairman, Civil Service Commission.

Insert 8 pt.

It will be observed that General Lake had given the chairman of this commission fair warning so far back as November, 1907, and as General Lake says in his memorandum this letter was never acknowledged and the contents of it were absolutely disregarded. I find that instead of trying to get information from men who might be supposed to know something about military matters, these gentlemen based their questions very largely upon newspaper articles which appeared generally in newspapers hostile to the administration. I do not complain of that; if they were newspapers which knew anything of what they were talking about; but they were not. In one or two cases questions were based admittedly upon gossip of the street corner. There is altogether too much of the element of gossip running through the report of this commission from one end to the other. That part of it which refers to the Militia Department is all based upon imagination or upon gossip.

Now, I wish to summarize the misrepresentations—I cannot say deliberate misrepresentations—that have been made in this report as to the cause of the in-

creased expenditure; as to the condition of the stores and the safeguards surrounding the care of the stores; as to the number of the headquarters staff, which is stated in one place to be forty, in another place to be fifty, and in another place, with the addition of some other officers, to be 220, while as a matter of fact it was twenty-three, and both the deputy minister and General Lake repeated that fact over and over again in their evidence; as to the accountant of the Militia Department, against whom the commission, or some member of it, seems to have a particular grudge; as to the functions of the Militia Council, as to which I shall be obliged to detain the committee for some little time; as to an article which was quoted, and which I contributed some time ago to the 'United Service Review,' as to efficiency, upon which there is absolute and utter misrepresentation, against the evidence and the only evidence, except gossip and newspaper clippings, which these gentlemen had before them.

The commission instituted a comparison between the expenditure of 1903-1904 and that of 1908-1909, as they say for 'specific reasons'; and they go on to point out that the Militia law was changed about 1904. An attempt is made to show that the change in the law resulted in placing the Militia Department absolutely under the control of the military branch and that therefore, in some way not fully explained, the expenditure ran up from three and a half millions in 1904 to six and a half millions. The commissioners say:

Your commissioners have made a comparison between these two years for specific reasons. In 1904 there was introduced into parliament an Act respecting the Militia and Defence of Canada, which in many particulars was a new departure from the former Act. In the Act of 1904 by section 6 it is enacted:—

The Governor in Council may appoint a deputy of the minister and such other officers as are necessary for carrying on the business of the department, all of whom shall hold office during pleasure.

In all the Act which has over 140 sections, no other reference is made to the deputy, and it is a curious circumstance that while the appointments of certain officials are permissive certain others are mandatory.

You will expect, as a logical inference from this statement, that in the old law, the law which preceded that of 1904, elaborate references were made to the deputy minister, and you will be surprised when I produce the law of 1904 and the law of 1886, to find that the language in both is precisely the same. I am reading now from the statute of 1904, which is the present law, and in which section 6 says:

The Governor in Council may appoint a deputy of the minister and such other officers as are necessary for carrying on the business of the department, all of whom shall hold office during pleasure.

Now, let me read from the law of 1886. It is this:

The Governor in Council may appoint a deputy of the Minister of Militia and Defence, and such other officers as are necessary for carrying on the business of the department, all of whom shall hold office during pleasure.

The one is copied verbatim from the other; and yet these gentlemen never took the trouble to look at the statute, because they were afraid, I suppose, that they might find that the very foundation of their theory did not exist. They go on to say that the creation of the militia council brought the military authority forward and substituted it for the old; and they say that this is proved by the fact that the headings of the reports of the Militia Department have changed—that whereas in the old days, before this iniquitous law was enacted, the report was headed as follows: 'Department of Militia and Defence year ended so-and-so;' now the heading is only: 'Report of Militia Council for the Dominion of Canada for the year ending so-and-so;' and they say that this is a proof that 'the department has been swallowed up by the militia council.' Now, the report of 1904, the last report, is under two heads—first, part 1, that is, the report of the deputy minister; next, part 2, the report of the General Commanding. Under the head of the deputy minister comes the report as to the civil side of the department under the heading of the general officer commanding, all the district officers of the Dominion are included. It would be just as sensible to say that the department was swallowed up by the general

officer commanding in the old days, and much more so, as to say that the department has lost its identity through the existence of the militia council. But these gentlemen venture upon somewhat dangerous ground for novices. They undertake to say that the militia council is more powerful and has assumed more authority in Canada than the army council in Great Britain. I shall read an extract from General Lake's memorandum on that point as it will be accepted as more authoritative than anything I could say. General Lake says:

It is rather a pity the commissioners should have commented unfavorably upon the increased expenditure without thinking it necessary to make any reference to these reasons for that increase, which are matters of policy approved by parliament.

On the contrary, they seem to wish to attribute the whole of it to the assumption by the militia council of what they designate as the 'control' of the Militia Department. A parallel is drawn between the Army Council at the War Office in London and the Militia Council at Ottawa, in which it is argued with somewhat scant acquaintance with the organization of the War Office, that the Army Council is 'entirely distinct' from the War Office, whereas the Militia Council has 'swallowed up' the Militia Department. To any one who knows the War Office, the former statement is wide of the truth.

An attempt is also made to show that parliamentary control is more fully assured in England than in Canada. Parliament is supreme in both cases, and the weakness of the contention advanced by the commissioners will be recognized when it is remembered that the Militia Council is by law (para. 7, Militia Act) purely advisory to the minister, and cannot act without his direct assent (see order in council of December 7, 1904), whereas the letters patent of February 6, 1904, which created the Army Council, not only vested in the latter all the prerogative powers of the Crown previously exercised by the Secretary of State or the Commander in Chief, but gave to any three of its members authority to exercise its full powers.

That is literally true and yet this self-constituted military critic has the effrontery to say that the militia council has assumed control and absolutely possesses by Act of parliament greater control than does the army council itself. The militia council has no control whatever. **THE MILITIA COUNCIL, AS THE ACT PRESCRIBES, IS PURELY ADVISORY, IT IS SIMPLY A CONVENIENT METHOD BY WHICH THE MINISTER BRINGS TO HIS AID DIFFERENT MEMBERS OF THE DEPARTMENT, FOUR OFFICERS AND TWO MEMBERS OF THE CIVIL STAFF.** The Militia Department is peculiar in this respect, it is different from such a great department, for instance, as that of the Interior, which has its geological branch, its Indian branch its land branch, and so on, all absolutely and entirely distinct. The Militia Department has its intelligence branch, with its chief of general staff, its adjutant general, looking after the troops, the training, etc., the quarter-master general, looking after the stores and supplies, and the Master General of Ordnance, and of course the deputy minister of the department as the other departments have. But these different departments or branches are interdependent, they are in a sense inseparable, and in order to have successful administration you must have those different departments in perfect accord and perfect touch. You must have continuity of purpose, you must have co-operation among the different branches of the service and you must have co-ordination or you will experience very great difficulty. That is the object for which the army council was conceived, but of course, the army council has received very much greater power. That is the object I had in copying the present plan on which the war office is administered, by introducing the idea of having in Canada a militia council. The system has worked admirably, better than I expected and I hope it will always be continued.

Why in the world did the commission go so far afield to invent a cause for the increase of expenditure when they had actually before them in the evidence of General Lake and in the evidence of the deputy minister, the reasons for the increase? **THE REASONS ARE KNOWN TO EVERYBODY WHO WILL STOP TO THINK.** They are as follows: During the year 1903-4 this country assumed

he responsibility to taking over and maintaining the garrisons of Halifax and Esquimalt. That meant an expenditure of one and a half to two million dollars. There is more than one-half of the total amount of the increase at once. The militia, under the new law, was paid nearly twice as much in the latter years as in the former years. That would account for from a quarter to half a million. The militia had been increased enormously in its numerical strength between 1903-4 and 1907-8. They might also have taken note of a charge of \$200,000 on account of customs which is simply a cross entry. Between these different amounts you get the full three millions. I have a statement here which will give this exactly. The expenditures on account of the headquarter staff and district staff, the permanent force, exclusive of Halifax and Esquimalt, and their pay, provisions and supplies for the permanent force, clothing for the permanent force, transport of staff and permanent force, amounted in 1903-4, to \$649,000, and in 1907-8 to \$1,253,700. The strength of the permanent force, exclusive of Halifax and Esquimalt, has been increased from 853 to 1,656. Now, take the expenditure of the active militia, for training, clothing, grants, etc. In 1903-4 the total expenditure under this head was \$1,077,000; in 1907-8 it was \$1,562,000. The number of men of all ranks paid in 1903-4 was 33,751 and in 1907-8 42,612. On rifle ranges and camp grounds there was nearly \$200,000 more spent in 1907-8 than in 1903-4—and I suppose no one will quarrel with that expenditure. On ordnance, field guns and rifles the expenditure in 1903-4 was \$487,000 and in 1907-8 \$718,000. On warlike stores the expenditures were much the same. On account of garrison at Halifax and Esquimalt there was no expenditure in 1903-4 except \$109,987, which was the amount the Canadian government contributed to the British government for the maintenance of Esquimalt. As against this, you have an expenditure of \$1,256,800 in 1907-8. On Royal Military College the expenditure in these two years is practically the same. The expenditure on the Dominion arsenal has increased from \$224,911 to \$416,000. The output has greatly increased. I have here an interesting statement showing that in 1895-6 the output of the cartridge factory was only 672,000 rounds, while in 1903-4 it was 6,352,000 rounds and in 1907-8 10,500,000 rounds, with a very large number of shells of the most expensive kind. These figures show an output in 1903-4 eight times greater than in 1895-6 and in 1907-8 fifteen times greater. In these items I have included the vote for customs, as I have already mentioned.

Now, one of the criticisms upon which this commission has rung the changes is that there is a very large—and I suppose the inference is, useless or, at any rate, unnecessary—staff. I find that the leader of the opposition (Mr. R. L. Borden), in his speech, made special reference to this subject, and drew a comparison between Canada and Switzerland unfavourable to Canada, the statement being that whereas the army of Switzerland was between 200,000 and 300,000 and the army of Canada only 50,000, the expenditure on headquarters staff was greater in Canada than in Switzerland. Now, as a matter of fact, the headquarters staff numbers 23—not 40 or 52, as stated in this report. And, as I have already said, that report was made in the face of the evidence given by General Lake and by Colonel Fiset—a *deliberate misrepresentation*, because the attention of the commission was thus called to the facts. It is stated by the leader of the opposition that the Canadian staff costs immensely more than the Swiss. I find that the Canadian staff cost \$82,500; and the latest reports I have been able to get, those of 1906-7, show that the cost of the headquarters staff of Switzerland is \$168,289—a little more than double. More than that, I find that the highest rate of pay in Switzerland is \$1,800. If Canadian rates of pay were applied to the headquarters staff of Switzerland, the cost would be fully \$330,000, or just four times the cost of the Canadian staff. Nobody expects that Canadians are going to attempt to live on the pay that the officers in Switzerland can live on; it would be impossible, and the Canadian parliament does not expect it. So the statement is absolutely wide of the facts, no wilder statement was ever made than that the cost of the headquarters staff of Switzerland is below that of Canada. It is more than double, and, if the same rate of pay were applied, it would be exactly four times as much.

